

CARE FOR AIDS, INC.

FINANCIAL STATEMENTS
INDEPENDENT AUDITORS' REPORT
AND
SUPPLEMENTARY INFORMATION
Years Ended December 31, 2020 and 2019

CARE FOR AIDS, INC.
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INDEPENDENT AUDITORS' REPORT

Board of Directors
CARE for AIDS, Inc.
Atlanta, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of CARE for AIDS, Inc. (a Georgia not-for-profit organization), 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.

Auditors' 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 auditors' 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 CARE for AIDS, Inc. as of December 31, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Mersereau, Lazenby & Rockas, LLC

Mersereau, Lazenby & Rockas, LLC

Certified Public Accountants

Suwanee, Georgia

November 15, 2021

CARE FOR AIDS, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2020 and 2019

	2020	2019
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,833,943	\$ 879,032
Investments (Note 11)	704,881	686,694
Grants receivable (Note 8)	100,000	115,000
Other current assets	90,387	34,002
Inventory	4,111	8,664
Total current assets	2,733,322	1,723,392
PROPERTY AND EQUIPMENT, net (Note 5)	122,662	79,118
TOTAL ASSETS	\$ 2,855,984	\$ 1,802,510
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 9,818	\$ 20,869
Other current liabilities	6,339	6,219
Total current liabilities	16,157	27,088
NET ASSETS		
Without donor restrictions		
Undesignated - expendable	1,639,261	1,290,761
Net invested in property and equipment	122,662	79,118
Total net assets without donor restrictions	1,761,923	1,369,879
Net assets with donor restrictions (Note 9)	1,077,904	405,543
Total net assets	2,839,827	1,775,422
TOTAL LIABILITIES AND NET ASSETS	\$ 2,855,984	\$ 1,802,510

See auditors' report and accompanying notes to the financial statements

CARE FOR AIDS, INC.
STATEMENTS OF ACTIVITIES
Years Ended December 31, 2020 and 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE						
Contributions	\$ 1,659,594	\$ 3,435,431	\$ 5,095,025	\$ 1,347,809	\$ 3,201,374	\$ 4,549,183
In kind contributions (Note 7)	-	68,040	68,040	275	-	275
Total contributions	1,659,594	3,503,471	5,163,065	1,348,084	3,201,374	4,549,458
Book and merchandise sales	3,924	-	3,924	32,771	-	32,771
Less cost of goods sold	(4,553)	-	(4,553)	(19,769)	-	(19,769)
Net book and merchandise sales	(629)	-	(629)	13,002	-	13,002
Investment and other income	20,277	-	20,277	45,526	-	45,526
Net assets released from restrictions:						
Satisfaction of program restrictions	2,831,110	(2,831,110)	-	3,411,607	(3,411,607)	-
Total revenue	4,510,352	672,361	5,182,713	4,818,219	(210,233)	4,607,986
EXPENSES						
Program services	3,028,440	-	3,028,440	3,736,323	-	3,736,323
Management and general	392,497	-	392,497	363,628	-	363,628
Fundraising	697,371	-	697,371	711,604	-	711,604
Total expenses	4,118,308	-	4,118,308	4,811,555	-	4,811,555
CHANGE IN NET ASSETS	392,044	672,361	1,064,405	6,664	(210,233)	(203,569)
NET ASSETS, Beginning of year	1,369,879	405,543	1,775,422	1,363,215	615,776	1,978,991
NET ASSETS, End of year	\$ 1,761,923	\$ 1,077,904	\$ 2,839,827	\$ 1,369,879	\$ 405,543	\$ 1,775,422

See auditors' report and accompanying notes to the financial statements

CARE FOR AIDS, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
Years Ended December 31, 2020 and 2019

	2020				2019			
	Program Services	Management & General	Fundraising	Total	Program Services	Management & General	Fundraising	Total
Salaries and benefits	\$ 236,905	\$ 148,758	\$ 584,725	\$ 970,388	\$ 245,056	\$ 123,736	\$ 523,914	\$ 892,706
Advertising and promotion	-	-	26,420	26,420	-	-	71,160	71,160
Computers and software	25	8	-	33	-	2,432	-	2,432
Cost of goods sold	-	4,553	-	4,553	-	19,769	-	19,769
Depreciation and amortization	-	30,838	-	30,838	-	27,804	-	27,804
Donor cultivation	-	-	4,038	4,038	-	-	5,367	5,367
Donor events	-	1,156	50,484	51,640	-	-	31,102	31,102
Dues and subscriptions	-	3,580	-	3,580	-	3,323	-	3,323
Furniture, equipment, and repairs	-	5,580	-	5,580	-	1,133	-	1,133
Grant - Care for Aids Africa	2,676,430	-	-	2,676,430	2,840,816	-	-	2,840,816
Insurance	-	7,663	-	7,663	-	14,639	-	14,639
Miscellaneous	-	7,092	865	7,957	-	1,349	230	1,579
Office supplies	-	4,511	-	4,511	-	7,833	-	7,833
Printing, reproduction, and postage	-	320	12,040	12,360	-	2,431	22,831	25,262
Processing fees and bank charges	-	22,100	-	22,100	-	23,844	-	23,844
Professional fees	-	77,072	-	77,072	-	66,133	18,506	84,639
Professional development	36,163	20,560	-	56,723	50,529	32,704	2,979	86,212
Rent	-	58,516	-	58,516	-	51,126	-	51,126
Travel	78,917	-	18,799	97,716	599,922	-	35,515	635,437
Utilities and security	-	4,743	-	4,743	-	5,141	-	5,141
Total expenses by function	3,028,440	397,050	697,371	4,122,861	3,736,323	383,397	711,604	4,831,324
Less expenses included with revenues on the statements of activities:								
Cost of goods sold	-	(4,553)	-	(4,553)	-	(19,769)	-	(19,769)
Total expenses included in the expense section of the statements of activities	<u>\$ 3,028,440</u>	<u>\$ 392,497</u>	<u>\$ 697,371</u>	<u>\$ 4,118,308</u>	<u>\$ 3,736,323</u>	<u>\$ 363,628</u>	<u>\$ 711,604</u>	<u>\$ 4,811,555</u>
Percentage of total expenses	73.5%	9.6%	16.9%	100.0%	77.4%	7.9%	14.7%	100.0%

See auditors' report and accompanying notes to the financial statements

CARE FOR AIDS, INC.
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2020 and 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 1,064,405	\$ (203,569)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	30,838	27,804
Unrealized investment gain	(2,826)	(5,034)
Changes in operating assets and liabilities:		
Decrease (increase) in grants receivable	15,000	(115,000)
(Increase) decrease in other current assets	(56,385)	83,013
Decrease (increase) in inventory	4,553	(8,664)
Decrease in accounts payable	(11,051)	(5,236)
Increase in other current liabilities	120	1,670
Net cash provided (used) by operating activities	1,044,654	(225,016)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(4,382)	-
Costs incurred for intangible asset	(70,000)	(90,970)
Purchase of investments	(15,361)	(210,589)
Proceeds from sales of investments	-	304,204
Net cash (used) provided by investing activities	(89,743)	2,645
NET INCREASE (DECREASE) IN CASH	954,911	(222,371)
CASH, Beginning of year	879,032	1,101,403
CASH, End of year	\$ 1,833,943	\$ 879,032

See auditors' report and accompanying notes to the financial statements

CARE FOR AIDS, INC.
NOTES TO THE FINANCIAL STATEMENTS
Years Ended December 31, 2020 and 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization and Activities

CARE for AIDS, Inc. (the “Organization”) is a not-for-profit organization that exists to empower people to live a life beyond AIDS. This is accomplished through grant making, advocacy and storytelling to increase US engagement with the AIDS epidemic in Africa. The Organization provides grants to its sister entities in Kenya, Tanzania, and Uganda (collectively referred to as “CFA-Africa”). CFA-Africa operates life-transforming centers in East African churches that meet the physical, spiritual, emotional, social, and economic needs of HIV-positive men and women. Clients participate in a nine-month program where they receive counseling, medical and nutritional support, vocational training, spiritual care, and more. Through this process, clients are empowered to live long, healthy, productive lives and are able to raise and educate their children. Other activities to accomplish the mission include community HIV education and testing. Through these individual and community interventions, stigma is decreased and economic productivity is increased. The Organization is supported primarily through donor contributions.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with US generally accepted accounting principles (“US GAAP”), which require the Organization to report 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.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors. Some donor restrictions are temporary in nature and will be met by actions of the Organization or with the passage of time. Net assets in this class include contributions and gifts for restricted purposes (such as a specific center or impact trip). Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained in perpetuity. The Organization currently has no such funds held in perpetuity.

Basis of Accounting

The accompanying financial statements are presented on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

Cash

Cash includes all monies in banks, cash in a brokerage account, and deposits in transit. Accounts maintained by banks are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2020 and 2019, deposits in excess of federally insured limits were approximately \$1,319,000 and \$404,000, respectively. Management believes it is not exposed to any significant credit risk on cash, although its balance has, at times, exceeded federally insured limits.

Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses, depending on the form of the benefits received.

CARE FOR AIDS, INC.
NOTES TO THE FINANCIAL STATEMENTS
Years Ended December 31, 2020 and 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment

Items capitalized as property and equipment are stated at cost or, if donated, at fair market value on the date of donation. The Organization generally capitalizes and reports property and equipment acquisitions in excess of \$3,000. Expenditures for repairs and maintenance are charged to expense as incurred, and additions and improvements that significantly extend the lives of assets are capitalized at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from three to five years. Items capitalized as intangible assets are recorded at cost incurred to place the asset into service. Amortization is computed using a double-declining balance method over the useful life of the asset. For the years ended December 31, 2020 and 2019, depreciation and amortization expense of \$30,838 and \$27,804 was recorded.

The Organization operates under a bring-your-own-device IT policy where employees provide their own computers. There is a \$500 per employee, once every five years reimbursement available for new computer purchases, but the reimbursement is expensed when paid.

Support, Revenue, and Reclassifications

Revenue is recognized when earned and support when contributions are made, which may be when cash is received, unconditional promises are made, or ownership of other assets are transferred to the Organization.

Gifts of cash and other assets are reported as support with donor restrictions if they are received with donor stipulations that limit the use of the donated amounts. When a stipulated time restriction ends or purpose restriction is satisfied, revenue with donor restrictions is reclassified to revenue without donor restrictions and reported in the statements of activities as reclassifications.

Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Costs incurred are reported according to the function (program, management and general, and fundraising) which they benefit. Salaries and benefits are allocated to functions based on personnel time and responsibilities. Other costs are recorded directly according to their function when incurred.

Donated Assets

Donated marketable securities and other in kind donations are recorded as contributions at their estimated fair values at the date of donation. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Income Taxes

The Organization is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3) and the Georgia Revenue and Taxation Code, though subject to tax on income unrelated to its exempt purpose, unless that income is specifically excluded by the Code. The Organization has not recognized any liability for unrecognized tax benefits, as it has no known uncertain tax positions that would subject them to any material income tax exposure.

CARE FOR AIDS, INC.
NOTES TO THE FINANCIAL STATEMENTS
Years Ended December 31, 2020 and 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes (continued)

The Organization has not recognized any liability for unrecognized tax benefits, as it has no known uncertain tax positions that would subject them to any material income tax exposure.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Revenue Recognition

Contributions are recorded as support with or without donor restrictions when an unconditional promise to give is received, depending on the existence and/or nature of any donor restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

All donor-restricted support is reported as an increase in net assets with 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 statement of activities as net assets released from restrictions.

Investments

Investments are reported at cost, if purchased, or at fair value, if donated. Thereafter, investments are reported at their fair values in the statements of financial position. Changes in fair value, along with interest and dividends, are reported as other income in the statements of activities. Purchases and sales of securities are reflected on a trade-date basis. See Note 11 for further discussion and determination of fair value.

NOTE 2: REVENUE FROM CONTRACTS WITH CUSTOMERS

The Organization has adopted Accounting Standards Update (ASU) No. 2014-09 - *Revenue from Contracts with Customers (Topic 606)*, as amended as management believes the standard improves the usefulness and understandability of the Organization's financial reporting. Analysis of various provisions of this standard resulted in no significant changes in the way the Organization recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with the standard.

The disaggregation of revenue by type is depicted on the face of the statements of activities. No contract assets or contract liabilities (or changes thereto) were recorded for the periods ending December 31, 2020 or 2019. See Note 1, Significant Accounting Policies: Revenue and Revenue Recognition, for further information.

CARE FOR AIDS, INC.
NOTES TO THE FINANCIAL STATEMENTS
Years Ended December 31, 2020 and 2019

NOTE 3: AVAILABILITY AND LIQUIDITY

	2020	2019
Financial assets at year-end:		
Cash	\$ 1,833,943	\$ 879,032
Investments	704,881	686,694
Grant and other receivables	100,000	115,000
Other current assets	90,387	34,002
Total financial assets	2,729,211	1,714,728
Less amounts not available to be used within one year for general expenditures:		
Deposits	(5,652)	(5,652)
Innovation projects	(60,000)	-
Food container in transit	(68,040)	-
	(133,692)	(5,652)
Financial assets available to meet general expenditures within one year	\$ 2,595,519	\$ 1,709,076

The Organization receives significant revenue restricted by donors and considers revenue restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. For the years ended December 31, 2020 and 2019, assets with donor restrictions of \$949,864 and \$405,543, respectively, were included in financial assets available to meet cash needs for general expenditures within one year.

The Organization regularly monitors liquidity required to meet its operating needs and other commitments. Board policies are in place to guard against the risk of financial jeopardy and require management to use multi-year planning. One policy states that, if unrestricted, undesignated net asset reserves drop below 90 days of operating expenses, five percent of gross revenues will be allocated to that reserve until the 90-day threshold is met. To achieve these targets, the entity forecasts its future cash flows and monitors its liquidity quarterly, and monitors its reserves annually. During the years ended December 31, 2020 and 2019, the level of liquidity and reserves was managed within the policy requirements.

In addition to financial assets available to meet general expenditures over the next 12 months, the Board requires management to operate with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures which are not funded by donor restricted resources with unrestricted contributions.

NOTE 4: RETIREMENT BENEFITS

The Organization provides retirement benefits through a SIMPLE IRA arrangement. Full-time employees are eligible for 3% matching employer contributions. In 2020 and 2019, the Organization incurred related expenses of \$18,776 and \$12,713, respectively.

CARE FOR AIDS, INC.
NOTES TO THE FINANCIAL STATEMENTS
Years Ended December 31, 2020 and 2019

NOTE 5: PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of December 31:

	2020	2019
Furniture and fixtures	\$ 7,925	\$ 7,925
Leasehold improvements	14,182	9,800
Intangible assets	160,970	90,970
Total property and equipment	183,077	108,695
Less accumulated depreciation and amortization	(60,415)	(29,577)
Net property and equipment	\$ 122,662	\$ 79,118

The intangible assets consist of costs incurred to develop a mobile app and to produce a book co-authored by the Organization’s founders. The book was completed in May of 2019 and seeks to tell the story of the Organization and promote its mission.

NOTE 6: OPERATING LEASES

In April of 2018, the Organization entered into a 62-month operating lease agreement for office space. Rental expense under this new agreement was \$58,516 and \$51,126 for the years ended December 31, 2020 and 2019, respectively.

Future minimum rental payments required under the lease in excess of one year are as follows:

Years Ending December 31,	
2021	\$ 38,635
2022	39,794
2023	16,903
2024	-
2025	-
Total	\$ 95,332

Further, the Organization entered into sublease agreements with other exempt organizations. For the years ended December 31, 2020 and 2019, sublease rental revenue was \$3,500 and \$15,300, respectively, and is reported in other income in the statements of activities.

NOTE 7: IN KIND CONTRIBUTIONS

In kind contributions of \$68,040 and \$275 for the years ended December 31, 2020 and 2019, respectively, have been recognized in revenue. The Organization recognized \$68,040 in 2020 for approximately 272,160 meals donated to the Organization. The food is distributed to program participants during the course of their time in the program. A matching amount is reported as a component of other current assets, as the food shipment had not yet been delivered as of December 31, 2020.

Several volunteers have made significant contributions of their time to the Organization’s mission. These services are not reflected in the accompanying statements of activities because they do not meet the necessary criteria for recognition under US GAAP.

CARE FOR AIDS, INC.
NOTES TO THE FINANCIAL STATEMENTS
Years Ended December 31, 2020 and 2019

NOTE 8: GRANTS RECEIVABLE

The Organization records grants receivable when awards are made and considered unconditional promises to give. For both 2020 and 2019, all grants receivable were collected in the subsequent year by the time the financials were available to be issued.

NOTE 9: NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions, contributions, and releases were as follows:

	Balance December 31, 2019	Restricted Contributions	Releases	Balance December 31, 2020
Africa operations	\$ 405,543	\$ 3,258,802	\$ (2,688,644)	\$ 975,701
Impact trips	-	114,669	(72,441)	42,228
Innovation	-	130,000	(70,025)	59,975
Total	\$ 405,543	\$ 3,503,471	\$ (2,831,110)	\$ 1,077,904

	Balance December 31, 2018	Restricted Contributions	Releases	Balance December 31, 2019
Africa operations	\$ 615,776	\$ 2,634,761	\$ (2,844,994)	\$ 405,543
Impact trips	-	566,613	(566,613)	-
Innovation	-	-	-	-
Total	\$ 615,776	\$ 3,201,374	\$ (3,411,607)	\$ 405,543

NOTE 10: GRANT EXPENSE - CARE FOR AIDS AFRICA

Grant – Care for Aids Africa expense represents cash and food sent to Africa for program operations. As described in Note 1, CFA-Africa operated 73 and 68 program centers at December 31, 2020 and 2019, respectively. The attached supplemental Schedules of Grant Expenditures as Reported by Recipient provides detail of December 31, 2020 and 2019 CFA-Africa’s expenditures. It also provides summarized reconciliation information that accounts for timing differences between grant expenditures reported in the financial statements.

NOTE 11: FAIR VALUE MEASUREMENTS

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. US GAAP establishes a hierarchy of inputs to valuation of that price using three levels:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in inactive markets for identical assets or liabilities, or model-derived valuations which rely on significant observable inputs.

Level 3 - Valuation techniques that rely on significant unobservable inputs.

CARE FOR AIDS, INC.
NOTES TO THE FINANCIAL STATEMENTS
Years Ended December 31, 2020 and 2019

NOTE 11: FAIR VALUE MEASUREMENTS (continued)

The following sets forth by level, within the fair value hierarchy, the Organization’s assets at fair value as of December 31, 2020 and 2019:

	Balance	Fair Value Measurements Using		
	December 31, 2020	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Cash	\$ 1,833,943	\$ 1,833,943	\$ -	\$ -
Investments				
Exchange traded funds	\$ 574,520	\$ 574,520	\$ -	\$ -
Mutual funds	130,361	130,361	-	-
Total investments	\$ 704,881	\$ 704,881	\$ -	\$ -

	Balance	Fair Value Measurements Using		
	December 31, 2019	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Cash	\$ 879,032	\$ 879,032	\$ -	\$ -
Investments				
Exchange traded funds	\$ 562,644	\$ 562,644	\$ -	\$ -
Mutual funds	124,050	124,050	-	-
Total investments	\$ 686,694	\$ 686,694	\$ -	\$ -

NOTE 12: RECLASSIFICATIONS

Certain prior year amounts have been reclassified to conform with current year presentation. Total changes in net assets were not affected.

NOTE 13: RISKS AND UNCERTAINTIES

In December 2019, a novel strain of coronavirus was reported in Wuhan, China. The World Health Organization has declared the outbreak to constitute a “Public Health Emergency of International Concern”. The COVID-19 outbreak is disrupting supply chains and affecting production and sales across a range of industries. The extent of the impact of COVID-19 on operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on donors, employees and vendors all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact financial condition or results of operations is uncertain.

NOTE 14: SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through November 15, 2021, which is the date the financial statements were available to be issued. Management is not aware of any material subsequent events that require disclosure in the financial statements.

SUPPLEMENTARY INFORMATION



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INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Board of Directors
CARE for AIDS, Inc.
Atlanta, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of CARE for AIDS, Inc. as of December 31, 2020 and 2019, and our report thereon dated November 15, 2021, which expressed an unmodified opinion on those financial statements appears on page 2. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole.

The Schedules of Grant Expenditures as Reported by Recipient, for the years ended December 31, 2020 and 2019, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Mersereau, Lazenby & Rockas, LLC

Mersereau, Lazenby & Rockas, LLC
Certified Public Accountants
Suwanee, Georgia
November 15, 2021

CARE FOR AIDS, INC.
SCHEDULES OF GRANT EXPENDITURES AS REPORTED BY RECIPIENT
Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Salaries and wages	\$ 1,251,381	\$ 1,178,304
Center set up costs	8,600	54,582
General and administrative	224,968	325,425
Direct food assistance costs	830,513	554,408
Empowerment projects	12,610	-
Graduation	11,527	33,171
Medicine	40,417	70,795
Professional fees	29,677	13,314
Repairs and maintenance	10,875	16,243
Seminars and teaching material	85,638	171,335
Staff development	141,261	134,771
Travel and impact trip	46,160	234,649
World Aids Day	<u>6,396</u>	<u>5,822</u>
Total local expenses	2,700,023	2,792,819
Recipient changes in cash and other accruals	<u>(23,593)</u>	<u>47,997</u>
Total grant expense - Care for Aids Africa	<u>\$ 2,676,430</u>	<u>\$ 2,840,816</u>

See auditors' report and accompanying notes to the financial statements