GUYDER
HURLEY

CRY - CHILD RIGHTS AND YOU AMERICA, INC.

FINANCIAL STATEMENTS

December 31, 2017

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
CRY - Child Rights and You America, Inc.

We have audited the accompanying financial statements of CRY - Child Rights and You America, Inc. (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 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 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 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 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 CRY - Child Rights and You America, Inc., as of December 31, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Gryder Hurley PC

Braintree, Massachusetts
September 28, 2018

CRY - CHILD RIGHTS AND YOU AMERICA, INC.

STATEMENT OF FINANCIAL POSITION
December 31, 2017

ASSETS		
Current Assets:		
Cash	$	1,186,790
Accounts receivable		44,809
Prepaid expenses		9,619
Total Current Assets		1,241,218
Property and Equipment:		
Office equipment		5,654
Less accumulated depreciation		(5,654)
Total Property and Equipment		-
Total Assets	$	1,241,218
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	$	374
Grants payable		57,433
Accrued expenses		14,500
Total Current Liabilities		72,307
Unrestricted Net Assets		1,168,911
Total Liabilities and Net Assets	$	1,241,218

CRY - CHILD RIGHTS AND YOU AMERICA, INC.

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2017

Revenue and Support	
Contributions	$ 572,791
Fundraising Events:	
Revenue raised	1,097,131
Expenses incurred	(242,426)
Net Fundraising Event Revenue	854,705
Interest income	403
Total Revenue and Support	1,427,899
Expenses	
Program/grant expenses	877,433
Fundraising expenses	225,243
Administrative expenses	249,618
Total Expenses	1,352,294
Change in Net Assets	75,605
Net Assets, Beginning of Year	1,093,306
Net Assets, End of Year	$ 1,168,911

CRY - CHILD RIGHTS AND YOU AMERICA, INC.

STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2017

Program/Grant Expenses		
India projects	$	807,433
US projects		70,000
Total Program/Grant Expenses	$	877,433
Fundraising Expenses		
Marketing	$	209,484
Professional fees		12,111
Postage		3,648
Total Fundraising Expenses	$	225,243
Administrative Expenses		
Payroll	$	145,999
Professional services		47,384
Travel and seminar/conference		18,897
Rent		8,960
Insurance		7,895
License and registration fees		7,270
Service charges		6,795
Telephone and internet services		2,933
Postage		1,798
Dues		763
Electricity		578
Office supplies		346
Total Administrative Expenses	$	249,618

CRY - CHILD RIGHTS AND YOU AMERICA, INC.

STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2017

Cash Flows from Operating Activities		
Change in net assets	$	75,605
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Increase in accounts receivable		(13,835)
Increase in prepaid expenses		(13)
Decrease in grants payable		(20,137)
Increase in accrued expenses		1,500
Decrease in accounts payable		(2,590)
Net Cash Provided by Operating Activities		40,530
Net increase in cash		40,530
Cash, beginning of year		1,146,260
Cash, end of year	$	1,186,790

CRY – CHILD RIGHTS AND YOU AMERICA, INC.

NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 1 – ORGANIZATION

CRY - Child Rights and You America, Inc. (the Organization) was established in November 2002 as a Delaware Corporation, and is a not-for-profit organized under Section 501(c)(3) of the United States Tax Code. The mission of the Organization is to raise funds for and public awareness of the problems that face underprivileged children, with emphasis on children living in India.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The Organization maintains its records on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Revenue is recognized as it is earned rather than received and expenses are recognized when the obligation is incurred.

Net assets are broken down into three specific categories as follows:

Unrestricted Net Assets – All contributions are considered to be available for unrestricted use unless specifically restricted by the donor or by law.

Temporarily Restricted Net Assets – Assets resulting from contributions whose use by the Organization is limited by donor/grantor imposed restrictions that either expire by the passage of time or can be fulfilled by actions of the Organization. Once these restrictions expire, temporarily restricted net assets are reported in the statement of activities as net assets released from restrictions.

Permanently Restricted Net Assets – Assets resulting from an endowment to be held in perpetuity. Investment income earned on this endowment is temporarily restricted for programs.

The Organization does not have any temporarily or permanently restricted net assets.

B. Use of Estimates

The preparation of financial statements in accordance with the accrual method of accounting requires the use of estimates that affect reported amounts of sources and uses of funds and related disclosures. Actual amounts could differ from those estimates.

C. Cash and Cash Equivalents

Cash and cash equivalents consist of cash on deposit with financial institutions and other debt securities that are readily convertible into cash and purchased with original maturities of three months or less.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

D. Concentration of Credit Risk

The Organization places its temporary cash investments with high credit quality financial institutions. During the fiscal year, balances in the accounts may exceed the federally insured limit. The Organization has not experienced any losses on such accounts and believes it is not exposed to any significant credit risk to cash. At December 31, 2017, the Organization had approximately $570,000 of its cash balance in excess of FDIC insurance limits.

E. Fixed Assets and Depreciation

Fixed assets are stated at cost. When assets are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in income for the period. Maintenance and repairs are charged to expense as incurred; major renewals and betterments are capitalized. Depreciation is provided for using straight-line and accelerated methods over the following estimated useful lives:

Equipment	5 years

F. Income Taxes

No provision has been made for income taxes since the Organization was formed as a tax-exempt organization and has been granted Section 501(c)(3) status by the Internal Revenue Service.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Organization to report information regarding its exposure to various tax positions taken by the Organization. The Organization has determined whether any tax positions have met the recognition threshold and has measured the Organization's exposure to those tax positions. Management believes that the Organization has adequately addressed all relevant tax positions and that there are no unrecorded tax liabilities. Federal and state tax authorities generally have the right to examine and audit the previous three years of tax returns filed. Any interest or penalties assessed to the Organization are recorded in operating expenses. No interest or penalties from federal or state tax authorities were recorded in the accompanying financial statements. The open tax years are the years ended 2014 to 2016.

G. Revenue Recognition

Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period received or promised. Conditional contributions are recorded when the conditions have been substantially met. Contributions are considered to be unrestricted unless specifically restricted by the donor.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

G. Revenue Recognition – (Continued)

The Organization reports contributions in the temporarily or permanently restricted net asset class if they are received with donor stipulations as to their use. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are released and reclassified to unrestricted net assets in the statement of activities.

Donor-restricted contributions are initially reported in the temporarily restricted net asset class, even if it is anticipated such restrictions will be met in the current reporting period.

Gains and losses on investments and other assets and liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law.

H. Functional Allocation of Expenses

The costs of providing the Organization's various programs and supporting services have been summarized on a functional basis in the statement of activities.

NOTE 3 – LICENSING AGREEMENT WITH CHILD RELIEF AND YOU, INDIA

The Organization has entered into an agreement, dated July 23, 2004, with Child Relief and You, India (CRY India), a public charity trust of India. The agreement allows the Organization to use the CRY India name, trademark and logo. This agreement also outlines services provided to the Organization by CRY India for the purpose of facilitating grants made to India-based projects. The Organization has also entered into an agreement with CRY India under which CRY India will provide grant management services for all grants made in India. During the year end December 31, 2017, the Organization made total grants to CRY India in the amount of $807,433. At December 31, 2017, the balance of grants payable to CRY India amounted to $57,433.

NOTE 4 – SUBSEQUENT EVENTS

Events that occur after the statement of financial position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of financial position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of financial position date require disclosure in the accompanying notes. Management evaluated the activity of the Organization through September 28, 2018 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.