



**FINANCIAL REPORT**  
(Compiled)

For the Period (16 Months) Ended December 31, 2019

**GATEWAY HUMAN TRAFFICKING**  
**FINANCIAL REPORT**

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**Hochschild, Bloom & Company LLP**  
Certified Public Accountants  
Consultants and Advisors

June 29, 2020

The Board of Directors  
**GATEWAY HUMAN TRAFFICKING**

The Organization's Board of Directors (the Board) is responsible for the accompanying financial statements of **GATEWAY HUMAN TRAFFICKING** (a Missouri nonprofit corporation), which comprise the statement of assets, liabilities, and net assets - cash basis as of December 31, 2019, the related statement of revenues, expenses, and changes in net assets - cash basis, and the statement of functional expenses - cash basis for the period (16 months) then ended and the related notes to the financial statements in accordance with the cash basis of accounting, and for determining that the cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by the Board. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

We draw attention to Note A-2 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

*Hochschild, Bloom & Company LLP*

**CERTIFIED PUBLIC ACCOUNTANTS**  
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**GATEWAY HUMAN TRAFFICKING**  
**STATEMENT OF ASSETS, LIABILITIES, AND**  
**NET ASSETS - CASH BASIS**

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	<u>December 31</u> <u>2019</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
Cash and cash equivalents	<u>\$ 48,235</u>
 <b>LIABILITIES AND NET ASSETS</b>	
<b>Current Liabilities</b>	
Credit Card Payable	<u>\$ 113</u>
 <b>Net Assets</b>	
Without donor restrictions:	
Undesignated	48,122
With donor restrictions:	
Purpose restrictions	-
Total Net Assets	<u>48,122</u>
 Total Liabilities And Net Assets	<u>\$ 48,235</u>

**GATEWAY HUMAN TRAFFICKING**  
**STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN NET ASSETS - CASH BASIS**

For The Period (16 Months)  
 Ended December 31, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>REVENUES</b>			
Contributions	\$ 54,997	-	54,997
Program service fees	2,053	-	2,053
Fundraising	21,685	-	21,685
Net assets released from restriction for satisfaction of program restrictions	10,995	(10,995)	-
Total Revenues	<u>89,730</u>	<u>(10,995)</u>	<u>78,735</u>
<b>FUNCTIONAL EXPENSES</b>			
Program services	41,934	-	41,934
Supporting services:			
Management and general	5,520	-	5,520
Fundraising	5,040	-	5,040
Total Supporting Services	10,560	-	10,560
Total Functional Expenses	<u>52,494</u>	<u>-</u>	<u>52,494</u>
<b>CHANGE IN NET ASSETS</b>	37,236	(10,995)	26,241
<b>NET ASSETS, SEPTEMBER 1, 2018</b>	<u>10,886</u>	<u>10,995</u>	<u>21,881</u>
<b>NET ASSETS, DECEMBER 31, 2019</b>	<u>\$ 48,122</u>	<u>-</u>	<u>48,122</u>

**GATEWAY HUMAN TRAFFICKING**  
**STATEMENT OF FUNCTIONAL EXPENSES - CASH BASIS**

For The Period (16 Months) Ended December 31, 2019

	<b>Program Services</b>	<b>Supporting Services</b>			<b>Total</b>
	<b>Community Engagement</b>	<b>Management And General</b>	<b>Fundraising</b>	<b>Total Supporting Services</b>	
Advertising	\$ 587	-	588	588	1,175
Automobile	3,572	210	420	630	4,202
Bank fees and charges	-	105	104	209	209
Educational Conferences	6,466	-	-	-	6,466
Insurance	-	450	-	450	450
Office and general administra- tion	1,231	154	153	307	1,538
Payroll	27,840	3,480	3,480	6,960	34,800
Payroll taxes	1,074	134	134	268	1,342
Postage	35	36	35	71	106
Professional fees	843	106	106	212	1,055
Rent - office	-	825	-	825	825
Telephone and telecommunica- tions	286	20	20	40	326
Total Functional Expenses	<u>\$ 41,934</u>	<u>5,520</u>	<u>5,040</u>	<u>10,560</u>	<u>52,494</u>

# GATEWAY HUMAN TRAFFICKING

## NOTES TO FINANCIAL STATEMENTS

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies consistently applied by the **GATEWAY HUMAN TRAFFICKING** (the Organization) in the preparation of the accompanying financial statements are summarized below:

#### 1. Nature of Operations

The Organization was established in 2014 to educate communities and inspire positive systemic change to end human trafficking. The Organization envisions creating a safe world for all children. The Organization's programs build a path to more equitable understanding of human trafficking as a multi-culture criminal activity. The Organization's goal is to empower communities through education about how to identify and report human trafficking to minimize victimization of vulnerable people. The Organization addresses human trafficking in the context of social justice education. The Organization's work philosophy focuses on following the paradigm of prosecution, protection, prevention, and partnership that continues to serve as the fundamental framework around the world including the United States to combat human trafficking.

#### 2. Basis of Accounting

These financial statements are prepared on the cash basis of accounting and, accordingly, do not reflect all significant receivables, payables, and other liabilities. Revenues and expenses are recognized in the period in which the cash is received or disbursed.

#### 3. Net Assets

Net assets, revenues, and functional expenses are classified based on the existence or absence of donor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* -- Net assets available for use in general operations and not subject to donor restrictions.

*Net Assets With Donor Restrictions* -- Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

#### 4. Cash and Cash Equivalents

For purposes of the statement of financial position, the Organization considers all highly-liquid investments available for current use with original maturities of three months or less to be cash equivalents.

**GATEWAY HUMAN TRAFFICKING**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**4. Cash and Cash Equivalents (Continued)**

Cash and cash equivalents consist of:

	<b>December 31</b> <b>2019</b>
Cash - checking	<u><u>\$ 48,235</u></u>

**5. Income Taxes**

The Organization qualifies as a not-for-profit organization under Internal Revenue Code Section 501(c)(3), therefore, it is exempt from federal and state income taxes, and no provision is reflected in the financial statements.

**6. Functional Allocation of Expenses**

The costs of programs and supporting services activities have been summarized on a functional basis in the statements of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited, based on time and effort tracked by management.

**NOTE B - LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	<b>December 31</b> <b>2019</b>
Cash and cash equivalents	<b>\$ 48,235</b>
Less - Credit card payable	<u>113</u>
Current Available Resources	<u><u>\$ 48,122</u></u>

**NOTE C - NEW ACCOUNTING PRONOUNCEMENT**

On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) - *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.



# **GATEWAY HUMAN TRAFFICKING**

## **NOTES TO FINANCIAL STATEMENTS**

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### **NOTE D - SUBSEQUENT EVENTS**

On March 11, 2020, the World Health Organization declared the outbreak of the coronavirus (COVID-19) a global pandemic. As a result, economic uncertainties have arisen which could adversely affect the Organization. Other financial impacts could also occur though such potential impacts are unknown at this time.

Management has evaluated subsequent events through June 29, 2020, the date which the financial statements were available for issue and no other events were noted.