

TANZANIAN CHILDREN'S FUND, INC.

**FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT**

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TANZANIAN CHILDREN'S FUND, INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

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To the Board of Directors
Tanzanian Children's Fund, Inc.
Cambridge, Massachusetts

Independent Auditor's Report

I have audited the accompanying financial statements of the Tanzanian Children's Fund, Inc. (a non-profit organization) which comprise the statement of financial position as of December 31, 2020 and 2019, and the related statement of Revenues, Expenses and changes in net assets, cash flows and functional expenses 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 of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion of these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Tanzanian Children's Fund, Inc. as of December 31, 2020, and 2019, 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 blue ink, appearing to read "John M. [unclear]". The signature is fluid and cursive.

Medford, Massachusetts
July 15, 2021

TANZANIAN CHILDREN'S FUND, INC.
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2020 AND 2019

ASSETS

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Current Assets:						
Cash and cash equivalents	\$ 1,532,332	\$ 113,197	\$ 1,645,529	\$ 1,135,786	\$ 48,887	\$ 1,184,673
Investments	5,248,250	30,260	5,278,510	4,861,221	19,996	4,881,217
Prepaid expenses	814	-	814	-	-	-
Total Current Assets	<u>6,781,396</u>	<u>143,457</u>	<u>6,924,853</u>	<u>5,997,007</u>	<u>68,883</u>	<u>6,065,890</u>
Net Property and Equipment						
Property and equipment, net of accumulated depreciation of \$4,007 and \$4,007, respectively	-	-	-	-	-	-
Other Assets						
Security Deposit	3,600	-	3,600	3,600	-	3,600
Total Assets	<u>\$ 6,784,996</u>	<u>\$ 143,457</u>	<u>\$ 6,928,453</u>	<u>\$ 6,000,607</u>	<u>\$ 68,883</u>	<u>\$ 6,069,490</u>

LIABILITIES AND FUND BALANCES

Current Liabilities:						
Accounts Payable	\$ 11,444	\$ -	\$ 11,444	\$ 7,320	\$ -	\$ 7,320
Paycheck Protection Program Note Payable	50,271	-	50,271	-	-	-
Total Current Liabilities	<u>61,715</u>	<u>-</u>	<u>61,715</u>	<u>7,320</u>	<u>-</u>	<u>7,320</u>
Net Assets:						
Without Donor Restrictions						
Operating	1,475,032	-	1,475,032	1,132,067	-	1,132,067
Lorinda de Roulet Scholarship Fund for Girls	100,224	-	100,224	95,251	-	95,251
Board designated Rainy Day Fund	1,856,084	-	1,856,084	1,712,471	-	1,712,471
Board Designated Long Term Investment Fund	3,291,941	-	3,291,941	3,053,498	-	3,053,498
Total Net Assets	<u>6,723,281</u>	<u>-</u>	<u>6,723,281</u>	<u>5,993,287</u>	<u>-</u>	<u>5,993,287</u>
With Donor Restrictions	-	143,457	143,457	-	68,883	68,883
Total Net Assets:	<u>6,723,281</u>	<u>143,457</u>	<u>6,866,738</u>	<u>5,993,287</u>	<u>68,883</u>	<u>6,062,170</u>
Total Liabilities and Net Assets	<u>\$ 6,784,996</u>	<u>\$ 143,457</u>	<u>\$ 6,928,453</u>	<u>\$ 6,000,607</u>	<u>\$ 68,883</u>	<u>\$ 6,069,490</u>

See accompanying notes to financial statements.
See Independent Auditor's Report

TANZANIAN CHILDREN'S FUND, INC.
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Unrestricted public support and revenue:						
Contributions	\$ 2,213,446	\$ 186,638	\$ 2,400,084	\$ 2,067,552	\$ 255,775	\$ 2,323,327
Program service	20,770	-	20,770	36,134	-	36,134
Dividends and interest income	61,240	28	61,268	96,864	240	97,104
Unrealized gains (losses) on investments	(465,232)	(321)	(465,553)	750,640	4,854	755,494
Realized gains (losses) on sale of investments	791,065	7,556	798,621	316	-	316
Microfinance products sales	819	-	819	4,319	-	4,319
Net assets released from restrictions	119,327	(119,327)	-	258,197	(258,197)	-
	<u>2,741,435</u>	<u>74,574</u>	<u>2,816,009</u>	<u>3,214,022</u>	<u>2,672</u>	<u>3,216,694</u>
Total public support and revenue						
Expenses:						
Program Services:						
Rift Valley Children's Fund	1,732,445	-	1,732,445	1,661,419	-	1,661,419
Total program services	<u>1,732,445</u>	<u>-</u>	<u>1,732,445</u>	<u>1,661,419</u>	<u>-</u>	<u>1,661,419</u>
Supporting services:						
Management and general	\$ 115,469	-	\$ 115,469	\$ 126,316	-	\$ 126,316
Fundraising	163,527	-	163,527	185,836	-	185,836
Total supporting services	278,996	-	278,996	312,152	-	312,152
Total expenses	<u>2,011,441</u>	<u>-</u>	<u>2,011,441</u>	<u>1,973,571</u>	<u>-</u>	<u>1,973,571</u>
Change in net assets	729,994	74,574	804,568	1,240,451	2,672	1,243,123
Net Assets, beginning of year	5,993,287	68,883	6,062,170	4,752,836	66,211	4,819,047
Net Assets, end of year	<u>\$ 6,723,281</u>	<u>\$ 143,457</u>	<u>\$ 6,866,738</u>	<u>\$ 5,993,287</u>	<u>\$ 68,883</u>	<u>\$ 6,062,170</u>

See accompanying notes to financial statements.
See Independent Auditor's Report

TANZANIAN CHILDREN'S FUND, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2020

	Program Services			Supporting Services			2020
	Rift Valley Children's Fund	Rift Valley TCF Direct	Rift Valley Children's Fund Total	Management and General	Fundraising	Total Expenses	
Salaries and taxes	\$ -	\$ 116,649	\$ 116,649	\$ 65,522	\$ 140,939	\$	\$ 323,110
Professional fee expense	-	-	-	8,375	-	-	8,375
Office expense	-	11,478	11,478	6,049	11,398	-	28,925
Subcontractors	-	76,625	76,625	2,768	-	-	79,393
Filing fees	-	-	-	1,010	-	-	1,010
Contributions	1,459,983	10,000	1,469,983	-	-	-	1,469,983
Miscellaneous	-	8,925	8,925	522	1,748	-	11,195
Printing	-	2,294	2,294	-	6,329	-	8,623
Supplies	-	6,128	6,128	297	-	-	6,425
Shipping costs	-	1,508	1,508	-	-	-	1,508
Travel	-	20,284	20,284	80	2,236	-	22,600
Insurance	-	14,917	14,917	8,412	-	-	23,329
Bank service charges	-	740	740	14,440	877	-	16,057
Website expense	-	1,361	1,361	7,994	-	-	9,355
Recruiting and training	-	1,553	1,553	-	-	-	1,553
Total Operating Expenses	\$ 1,459,983	\$ 272,462	\$ 1,732,445	\$ 115,469	\$ 163,527	\$	\$ 2,011,441

See accompanying notes to financial statements.
See Independent Auditor's Report

TANZANIAN CHILDREN'S FUND, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2019

	Program Services			Supporting Services			2019 Total Expenses
	Rift Valley Children's Fund	Rift Valley TCF Direct	Rift Valley Children's Fund Total	Management and General	Fundraising		
Salaries and taxes	\$ -	\$ 131,146	\$ 131,146	\$ 70,012	\$ 124,799	\$	\$ 325,957
Professional fee expense	-	-	-	8,375	-	-	8,375
Office expense	-	5,342	5,342	9,805	2,765	-	17,912
Subcontractors	-	78,432	78,432	6,501	-	-	84,933
Filing fees	-	-	-	1,029	-	-	1,029
Contributions	1,381,123	-	1,381,123	-	-	-	1,381,123
Miscellaneous	-	2,904	2,904	120	13,077	-	16,101
Printing	-	-	-	55	11,558	-	11,613
Supplies	-	5,922	5,922	7,282	255	-	13,459
Shipping costs	-	1,655	1,655	660	80	-	2,395
Travel	-	25,529	25,529	2,795	31,522	-	59,846
Insurance	-	25,760	25,760	2,437	-	-	28,197
Bank service charges	-	-	-	13,728	1,780	-	15,508
Website expense	-	558	558	3,376	-	-	3,934
Recruiting and training	-	3,048	3,048	141	-	-	3,189
Total Operating Expenses	\$ 1,381,123	\$ 280,296	\$ 1,661,419	\$ 126,316	\$ 185,836	\$	\$ 1,973,571

See accompanying notes to financial statements.
See Independent Auditor's Report

TANZANIAN CHILDREN'S FUND, INC.
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
Cash Flows from operating activities:		
Change in unrestricted net assets	\$ 804,568	\$ 1,243,123
Realized and Unrealized (gains) losses on investments	(333,068)	(755,810)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:		
(Increase) Decrease in Prepaid Expenses	(814)	-
(Increase) Decrease in Security Deposits	-	(3,375)
Increase (Decrease) in Accounts payable	4,124	(7,029)
Net cash provided by/(used in) operating activities	<u>474,810</u>	<u>476,909</u>
Cash Flows from investing activities:		
Proceeds from sale of investments	2,609,028	76,702
Purchase of investments	(2,673,253)	(676,661)
Net cash used in investing activities	<u>(64,225)</u>	<u>(599,959)</u>
Cash Flows from Financing activities:		
Paycheck Protection Program Loan Proceeds	50,271	-
Net cash from financing activities	<u>50,271</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	460,856	(123,050)
Cash and cash equivalents, beginning of year	<u>1,184,673</u>	<u>1,307,723</u>
Cash and cash equivalents, end of year	<u>\$ 1,645,529</u>	<u>\$ 1,184,673</u>

See accompanying notes to financial statements.
See Independent Auditor's Report

TANZANIAN CHILDREN'S FUND, INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

1. Organization and Purposes

Tanzanian Children's Fund, Inc. (TCF) is a not-for-profit organization organized in March 2003, under the laws of the State of Massachusetts for the purpose of establishing aid to the orphaned and marginalized children of Tanzania. The Tanzanian Children's Fund, Inc. will provide support for the Rift Valley Children's Village, an orphanage in the Karatu district of Tanzania and, other related community based programs that improve the lives of children and families in Tanzania.

2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the organization have been prepared on the accrual basis of accounting whereby revenues are recognized in the appropriate net asset class as earned and expenses recognized as incurred.

Basis of Presentation

The accompanying financial statements include the assets, liabilities and net assets of Tanzanian Children's Fund, Inc. The financial statement presentation follows the provisions of the Not-for-profit Entities. As required by the FASB Accounting Standards Codification™, net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-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 (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor-(or certain grantor-) 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.

TANZANIAN CHILDREN'S FUND, INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

2. Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

For financial statement purposes, management considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents. Cash equivalents are carried at cost, which approximates fair value.

Property and Equipment

Equipment is stated at cost. The organization capitalizes equipment with the useful life greater than one year. Depreciation is computed by the straight-line method over an estimated useful life of five years.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets. Realized gains and losses on investments of Board designated endowment are recorded as changes in unrestricted net assets.

Tax Status

Tanzanian Children's Fund, Inc. qualifies as an exempt organization under the provisions of Internal Revenue Code, Section 501(c)(3) and therefore, is not subject to corporate income taxes. It has also been classified as an organization that is not considered to be a private foundation under 509(a)(2) of the Code.

The Organization has evaluated the tax positions taken on returns for open years and those expected to be taken on returns for the year ended December 31, 2020. It is management's belief that such tax positions are more likely than not to be sustained upon examination by tax authorities. Accordingly, no liability for uncertain tax positions has been reflected in these financial statements. Returns for tax years beginning with those filed for the year ended December 31, 2017 are open to examination.

TANZANIAN CHILDREN'S FUND, INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

2. Summary of Significant Accounting Policies (continued)

Revenues and Expenses

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets.

Gains and losses on investments and other assets or liabilities are reported as increases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets by fulfillment of the donor-stipulated purpose or by passage of the stipulated time period are reported as reclassifications between applicable classes of net assets.

In-Kind Goods and Services:

As required by the FASB Accounting Standards Codification™, the Organization maintains a policy whereby contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation, are recorded at their fair value in the period received.

Although the Organization receives a significant amount of donated services from unpaid volunteers, these donations did not meet the recognition criteria and have not been recorded in the accompanying financial statements.

Functional Expenses:

The Organization allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated by various statistical bases. Supporting services are those related to operating and managing the Fund and its programs on a day-to-day basis. Supporting services have been sub-classified below.

Administrative- includes all activities related to the Organization's internal management and accounting for program services.

Fund Raising - includes all activities related to maintain contributor information, writing grant proposals, stewardship events and activities, distribution of materials and other similar projects related to the procurement of funds for the Organization's programs.

TANZANIAN CHILDREN'S FUND, INC.
 FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2020

2. Summary of Significant Accounting Policies (continued)

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 contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. Liquidity and Availability

Financial assets available for general expenditures, that is, without donor restrictions limiting their use, within one year of balance sheet date, comprise the following at December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Cash and Cash Equivalents	\$ 1,645,529	\$ 1,184,673
Short Term Investments	1,856,084	1,712,471
Prepaid Expenses	814	-
	\$ 3,502,427	\$ 2,897,144

As part of the Organization' liquidity management, it has a policy to structure its financial assets to be available as its general expenditures and liabilities. In addition, the Organization invests cash in excess of annually requirements in a Long-Term Investment Fund. Although the Organization does not intend to spend from its Long-Term Investments Fund other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, amounts from its Long-Term Fund could be made available if necessary.

4. Concentrations of Credit Risk

The organization maintains its bank accounts in a major financial institution. The balance is insured by the Federal Deposit Insurance Corporation up to \$250,000. At times, the balances in the insured accounts may exceed federal limits. The Organization has not experienced any losses and does not believe it is exposed to any significant credit risks in such accounts.

Additionally, the Organization invests in professionally managed money market and mutual funds that contains various types of marketable securities. The Organization's investments are exposed to various risks, such as fluctuations in market value, and credit risk. Thus, it is at least reasonably possible that changes in the near term could materially affect investment balances.

TANZANIAN CHILDREN'S FUND, INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

5. Investments

Investments are valued at fair value and consisted of the following at December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Mutual Funds	\$ 2,773,834	\$ 4,793,871
Cash Money Market	2,504,675	87,346
	<u>\$ 5,278,509</u>	<u>\$ 4,881,217</u>

TCF's investments returns for fiscal years 2020 and 2019 included investments earnings (dividends and interest) of \$61,226 and \$97,014, respectively, and realized and unrealized gains (losses) of \$333,068 and \$755,810, respectively.

6. Assets measured at fair value on a recurring basis

In accordance with the Fair Value Measurement and Disclosure topic of the FASB Accounting Standards Codification, the organization is required to disclose, for its assets and liabilities measured at fair value on a recurring basis, the sources and types of information, known as inputs, used to determine those fair value measurements.

Level 1: Level 1 inputs are quoted prices in active markets for identical assets and liabilities that an entity has the ability to access at a measurement date. Level 2: Level 2 inputs are inputs other than quoted prices that are observable for the specific asset or liability, either directly or indirectly. Level 3: Level 3 inputs are unobservable inputs for the assets or liabilities in which little or no market activity is available for the asset or liability at the measurement date. The reported values of assets measured at fair value on a recurring basis are categorized as follows at December 31, 2020:

		<u>Fair value measurements at report date using:</u>			
		Total	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		<u>Dec 31, 2020</u>			
Cash and cash equivalents	\$	1,645,529	1,645,529		
Money Market		2,504,675	2,504,675		
Publicly traded domestic mutual funds		<u>2,773,835</u>	<u>2,773,835</u>		
Totals	\$	<u>6,924,039</u>	<u>6,924,039</u>		

TANZANIAN CHILDREN'S FUND, INC.
 FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2020

1. Assets measured at fair value on a recurring basis (continued)

The reported values of assets measured at fair value on a recurring basis are categorized as follows at December 31, 2019:

		<u>Fair value measurements at report date using:</u>			
		<u>Total</u>	Quoted prices in active markets for identical assets <u>(Level 1)</u>	Significant other observable inputs <u>(Level 2)</u>	Significant unobservable inputs <u>(Level 3)</u>
		<u>Dec 31, 2019</u>			
Cash and cash equivalents	\$	1,184,673	1,184,673		
Money Market		87,346	87,346		
Publicly traded domestic mutual funds		<u>4,793,871</u>	<u>4,793,871</u>		
Totals	\$	<u>6,065,890</u>	<u>6,065,890</u>		

2. Lease Commitment

On May 31, 2020, the Organization entered into a one-year lease agreement with an unrelated non-for-profit organization. The lease expires on June 30, 2021. Under the new lease, the current annual basic rent is \$23,160, payable in monthly installments of \$1,930. For the years ended December 31, 2020 and 2019, rent expense was \$22,380 and \$11,500, respectively, and is reported as rent expense in the accompanying statement of functional expenses.

3. Board Designated Funds

A portion of unrestricted net assets has been designated by the Board to the following funds:

- Board designated Rainy Day Operating and/or Capital Costs: To help with operating and/or capital costs of TCF and the Rift Valley Children's Village, and to provide a back-up source of funds in the case of unexpected financial need. The balance of this fund was \$1,856,084 and \$1,712,471 at December 31, 2020 and 2019, respectively.
- Board designated Long Term Investment Fund: To help with operating and/or capital costs of the Tanzanian Children's Fund and the Rift Valley Children's Village, including costs of Oldeani Secondary School and other secondary education costs. The balance of this fund was \$3,291,941 and \$3,053,498 at December 31, 2020 and 2019, respectively.

TANZANIAN CHILDREN'S FUND, INC.
 FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2020

4. Board Designated Funds (continued)

- The Lorinda de Roulet Scholarship Fund for Girls: This fund was established by the Board to fund post-secondary scholarships. The balance of this fund was \$100,224 and \$95,251, respectively.

These three funds are included in an investment account at December 31, 2020, which includes the following:

	<u>2020</u>	<u>2019</u>
Cash and Cash Equivalents	\$ 2,490,415	\$ 86,888
Publicly Traded Mutual Funds	2,757,834	4,774,332
	<u>\$ 5,248,249</u>	<u>\$ 4,861,220</u>

5. Net Assets Without Donor Restrictions

The following table summarizes the changes in Net Assets without donor Restrictions:

	Operating	Board Designated	Total
Balance as of January 1, 2019	\$ 1,241,535	\$ 3,511,301	\$ 4,752,836
Changes in Net Assets	393,476	846,975	1,240,451
Transfers to Board Designated	(502,944)	502,944	-
Balance as of December 31, 2019	<u>\$ 1,132,067</u>	<u>\$ 4,861,220</u>	<u>\$ 5,993,287</u>
Changes in Net Assets	342,965	387,029	729,994
Transfers to Board Designated	-	-	-
Balance as of December 31, 2020	<u>\$ 1,475,032</u>	<u>\$ 5,248,249</u>	<u>\$ 6,723,281</u>

TANZANIAN CHILDREN'S FUND, INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

6. Net Assets With Donor Restrictions

As of December 31, 2020, net assets with donor restrictions consisted of the following funds:

	Balance Jan. 1, 2020	Additions	Investment Income	Releases	Balance Dec.31, 2020
Oldeani Capital	\$ 10,000	\$ -	\$ -	\$ (5,000)	\$ 5,000
Gyetighi Operating	-	50,000	-	(50,000)	-
Oldeani Operating	33,337	12,500	-	(42,638)	3,199
Health Care Fund	5,551	-	-	(5,551)	-
Boniface Children Fund	19,996	3,000	7,263	-	30,259
New Staff House	-	60,000	-	-	60,000
Scholarship Fund	-	40,000	-	-	40,000
Other	-	21,138	-	(16,138)	5,000
	<u>\$ 68,883</u>	<u>\$ 186,638</u>	<u>\$ 7,263</u>	<u>\$ (119,327)</u>	<u>\$ 143,457</u>

As of December 31, 2019, net assets with donor restrictions consisted of the following funds:

	Balance Jan. 1, 2019	Additions	Investment Income	Releases	Balance Dec.31, 2019
Building Fund Gyetighi	\$ -	\$ -	\$ -	\$ -	\$ -
Oldeani Capital	-	74,998	-	(64,998)	10,000
RVCV Capital	-	-	-	-	-
Gyetighi Operating	6,868	50,000	-	(56,868)	-
Oldeani Operating	34,441	76,050	-	(77,155)	33,336
Health Care Fund	-	41,444	-	(35,892)	5,552
Boniface Children Fund	14,902	-	5,094	-	19,996
Other	10,000	13,284	-	(23,284)	-
	<u>\$ 66,211</u>	<u>\$ 255,775</u>	<u>\$ 5,094</u>	<u>\$ (258,197)</u>	<u>\$ 68,883</u>

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7. Net Assets With Donor Restrictions (continued)

Net Assets with Donor Restrictions were restricted to the following purposes:

	<u>2020</u>	<u>2019</u>
Oldeani Operating Fund	\$ 3,199	\$ 33,337
Boniface Children Fund	30,260	19,996
New Staff House	60,000	-
Oldeani Capital Fund	5,000	10,000
Mental Health Initiatives	5,000	-
Caroline Muller Scholarship Fund	40,000	-
Health Care Fund	-	5,550
	<u>\$ 143,459</u>	<u>\$ 68,883</u>

8. Paycheck Protection Program Note Payable

On May 1, 2020, the Organization received loan proceeds in the amount of \$50,271 under the Paycheck Protection Program (PPP). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act), provides for loans to qualifying Organizations for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying organization. The loans and accrued interest are forgivable between eight to twenty-four weeks after loan funding as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities.

On May 19, 2021, the Organization received confirmation from the SBA that the first PPP loan had been forgiven in full.

9. Subsequent events

The Organization has evaluated subsequent events through July 15, 2021, which is the date the financial statements were available to be issued. There were no subsequent events that require adjustment to or disclosure in the financial statements.