



AFRICAN MISSION HEALTHCARE  
FOUNDATION DBA AFRICAN  
MISSION HEALTHCARE  
AND AFFILIATE

Consolidated Financial Statements  
With Independent Auditors' Report

December 31, 2022 and 2021

**AFRICAN MISSION HEALTHCARE FOUNDATION  
DBA AFRICAN MISSION HEALTHCARE  
AND AFFILIATE**

**Table of Contents**

	<u>Page</u>
Independent Auditors' Report	1
Consolidated Financial Statements	
Consolidated Statements of Financial Position	3
Consolidated Statements of Activities	4
Consolidated Statements of Functional Expenses	5
Consolidated Statements of Cash Flows	6
Notes to Consolidated Financial Statements	8

## INDEPENDENT AUDITORS' REPORT

Board of Directors  
African Mission Healthcare Foundation  
dba African Mission Healthcare and Affiliate  
DeLand, Florida

### ***Opinion***

We have audited the accompanying consolidated financial statements of African Mission Healthcare Foundation dba African Mission Healthcare and Affiliate, which comprise the consolidated statements of financial position as of December 31, 2022 and 2021, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of African Mission Healthcare Foundation dba African Mission Healthcare and Affiliate as of December 31, 2022 and 2021, 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.

We did not audit the financial statements of African Mission Healthcare-Kenya, a controlled entity, whose statements reflect total assets constituting 5 percent of consolidated total assets at December 31, 2022, and total revenues constituting 1 percent of consolidated total revenues for the year then ended. Those statements, which were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, were audited by other auditors, whose report has been furnished to us. We have applied audit procedures on the conversion adjustments to the financial statements of African Mission Healthcare-Kenya, which conform those financial statements to accounting principles generally accepted in the United States of America. Our opinion, insofar as it relates to the amounts included for African Mission Healthcare-Kenya, prior to these conversion adjustments, is based solely on the report of the other auditors.

### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are required to be independent of African Mission Healthcare Foundation dba African Mission Healthcare and Affiliate and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Board of Directors  
African Mission Healthcare Foundation  
dba African Mission Healthcare and Affiliate  
DeLand, Florida

***Responsibilities of Management for the Consolidated Financial Statements, continued***

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about African Mission Healthcare Foundation dba African Mission Healthcare and Affiliate's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

***Auditors' Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit 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 African Mission Healthcare Foundation dba African Mission Healthcare and Affiliate's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about African Mission Healthcare Foundation dba African Mission Healthcare and Affiliate's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audits.

*Capin Crouse LLP*

Colorado Springs, Colorado  
May 30, 2023

**AFRICAN MISSION HEALTHCARE FOUNDATION  
DBA AFRICAN MISSION HEALTHCARE  
AND AFFILIATE**

**Consolidated Statements of Financial Position**

	December 31,	
	2022	2021
<b>ASSETS:</b>		
Cash and cash equivalents	\$ 29,961,613	\$ 23,835,166
Investments	700,487	409,123
Contributions and other receivables	997,578	140,750
Prepaid expenses	303,559	312,530
Cash – closed reserve fund	5,900,000	6,000,000
Operating leases – right-of-use assets	110,766	-
Land, furniture, and equipment–net	509,497	76,560
Total Assets	\$ 38,483,500	\$ 30,774,129
<b>LIABILITIES AND NET ASSETS:</b>		
Liabilities:		
Accounts payable and accrued expenses	\$ 430,443	\$ 243,054
Grants payable	242,607	474,543
Operating lease obligations	109,317	-
Total liabilities	782,367	717,597
Net assets:		
Without donor restrictions	1,815,813	1,891,687
With donor restrictions	35,885,320	28,164,845
Total net assets	37,701,133	30,056,532
Total liabilities and net assets	\$ 38,483,500	\$ 30,774,129

See notes to consolidated financial statements

**AFRICAN MISSION HEALTHCARE FOUNDATION  
DBA AFRICAN MISSION HEALTHCARE  
AND AFFILIATE**

**Consolidated Statements of Activities**

	Year Ended December 31,					
	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE:</b>						
Contributions	\$ 198,358	\$ 18,963,170	\$ 19,161,528	\$ 950,474	\$ 23,385,478	\$ 24,335,952
Interest and other income	349,257	-	349,257	83,982	-	83,982
<b>Total Support and Revenue</b>	547,615	18,963,170	19,510,785	1,034,456	23,385,478	24,419,934
<b>NET ASSETS RELEASED:</b>						
Purpose and time restrictions	11,242,695	(11,242,695)	-	8,286,752	(8,286,752)	-
<b>EXPENSES:</b>						
Program services	10,067,116	-	10,067,116	8,268,879	-	8,268,879
Supporting activities:						
General and administrative	1,030,803	-	1,030,803	966,823	-	966,823
Fundraising	768,265	-	768,265	246,986	-	246,986
	1,799,068	-	1,799,068	1,213,809	-	1,213,809
<b>Total Expenses</b>	11,866,184	-	11,866,184	9,482,688	-	9,482,688
<b>Change in Net Assets</b>	(75,874)	7,720,475	7,644,601	(161,480)	15,098,726	14,937,246
<b>Net Assets, Beginning of Year</b>	1,891,687	28,164,845	30,056,532	2,053,167	13,066,119	15,119,286
<b>Net Assets, End of Year</b>	\$ 1,815,813	\$ 35,885,320	\$ 37,701,133	\$ 1,891,687	\$ 28,164,845	\$ 30,056,532

See notes to consolidated financial statements

**AFRICAN MISSION HEALTHCARE FOUNDATION  
DBA AFRICAN MISSION HEALTHCARE  
AND AFFILIATE**

**Consolidated Statements of Functional Expenses**

	Year Ended December 31, 2022			Total Expenses
	Program Services	General and Administrative	Fundraising	
Grant expense	\$ 9,125,670	\$ -	\$ -	\$ 9,125,670
Salaries and benefits	749,522	582,119	367,232	1,698,873
Donor development	-	-	278,201	278,201
Travel	138,791	69,546	65,706	274,043
Professional services	3,000	214,696	-	217,696
Office and other expenses	44,523	76,970	10,485	131,978
Information technology	5,600	45,427	46,641	97,668
Financial expense	10	42,045	-	42,055
	<u>\$ 10,067,116</u>	<u>\$ 1,030,803</u>	<u>\$ 768,265</u>	<u>\$ 11,866,184</u>
	<u>85%</u>	<u>9%</u>	<u>6%</u>	<u>100%</u>

	Year Ended December 31, 2021			Total
	Program Services	General and Administrative	Fundraising	
Grant expense	\$ 7,460,138	\$ -	\$ -	\$ 7,460,138
Salaries and benefits	660,902	527,245	158,733	1,346,880
Donor development	-	-	73,357	73,357
Travel	59,477	39,094	3,364	101,935
Professional services	18,500	203,615	1,573	223,688
Office and other expenses	68,366	99,737	6,210	174,313
Information technology	1,481	38,944	3,749	44,174
Financial expense	15	58,188	-	58,203
	<u>\$ 8,268,879</u>	<u>\$ 966,823</u>	<u>\$ 246,986</u>	<u>\$ 9,482,688</u>
	<u>87%</u>	<u>10%</u>	<u>3%</u>	<u>100%</u>

See notes to consolidated financial statements

**AFRICAN MISSION HEALTHCARE FOUNDATION  
DBA AFRICAN MISSION HEALTHCARE  
AND AFFILIATE**

**Consolidated Statements of Cash Flows**

	Year Ended December 31,	
	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 7,644,601	\$ 14,937,246
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	15,942	14,472
Foreign currency translation adjustment	43,228	12,358
Reinvestment of interest	(45,121)	(12,990)
Loss on disposal of land, furniture, and equipment	5,469	4,927
Non-cash effect of change in accounting principle	(3,265)	-
Changes in operating assets and liabilities:		
Contributions and other receivables	(856,828)	1,272,786
Prepaid expenses	8,971	(286,001)
Accounts payable and accrued expenses	187,389	90,922
Grants payable	(231,936)	(245,573)
Net Cash Provided by Operating Activities	6,768,450	15,788,147
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases of investments	(287,655)	(184,829)
Proceeds from sale of investments	-	241,173
Purchases of land, furniture, and equipment	(454,348)	(43,744)
Net Cash Provided (Used) by Investing Activities	(742,003)	12,600
Net Change in Cash and Cash Equivalents	6,026,447	15,800,747
Cash and Cash Equivalents, Beginning of Year	29,835,166	14,034,419
Cash and Cash Equivalents, End of Year	\$ 35,861,613	\$ 29,835,166

(continued)

See notes to consolidated financial statements



**AFRICAN MISSION HEALTHCARE FOUNDATION  
DBA AFRICAN MISSION HEALTHCARE  
AND AFFILIATE**

**Consolidated Statements of Cash Flows**  
(continued)

	Year Ended December 31,	
	2022	2021
<b>SUMMARY OF CASH AND CASH EQUIVALENTS AND CLOSED RESERVE FUND AT END OF YEAR:</b>		
Cash and cash equivalents	\$ 29,961,613	\$ 23,835,166
Cash – closed reserve fund	5,900,000	6,000,000
	\$ 35,861,613	\$ 29,835,166
<b>SUPPLEMENTAL DISCLOSURE:</b>		
Right-of-use assets obtained in exchange for lease obligation	\$ 123,098	\$ -

See notes to consolidated financial statements

**AFRICAN MISSION HEALTHCARE FOUNDATION  
DBA AFRICAN MISSION HEALTHCARE  
AND AFFILIATE**

**Notes to Consolidated Financial Statements**

December 31, 2022 and 2021

1. NATURE OF ORGANIZATION:

African Mission Healthcare Foundation dba African Mission Healthcare exists to strengthen African mission hospitals to aid those in greatest need. Mission hospitals frequently lack important resources, capacity, or capabilities. In response, African Mission Healthcare works closely with selected mission hospitals in various countries in Africa to identify the resources and support needed most, develop effective solutions, mobilize resources, and achieve the desired results. Solutions involve providing support for critically needed infrastructure and equipment, training and medical education, clinical care, and management advisory services.

These consolidated statements include the activities of African Mission Healthcare-Kenya (AMH Kenya), a tax exempt non-governmental organization in Kenya. AMH Kenya's activities were consolidated into African Mission Healthcare's financial statements beginning January 1, 2019.

African Mission Healthcare is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and comparable state laws. However, African Mission Healthcare is subject to federal income tax on any unrelated business taxable income. In addition, African Mission Healthcare is not classified as a private foundation within the meaning of Section 509(a) of the IRC.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

African Mission Healthcare maintains its accounts and prepares its consolidated financial statements on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. The preparation of consolidated 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, disclosures of any contingent assets and liabilities at the date of the consolidated financial statements, and the reported revenues and expenses during the reporting period. Actual results could differ from the estimates. The significant accounting policies followed are described below to enhance the usefulness of the consolidated financial statements to the reader.

**PRINCIPLES OF CONSOLIDATION**

Due to board control, AMH Kenya is a controlled entity of African Mission Healthcare for the purposes of these consolidated statements. These consolidated financial statements therefore include the financial resources and activities of this entity. All significant intercompany balances and transactions have been eliminated. African Mission Healthcare and AMH Kenya are collectively referred to as African Mission Healthcare Foundation dba African Mission Healthcare and Affiliate (AMH) in these consolidated financial statements.

**AFRICAN MISSION HEALTHCARE FOUNDATION  
DBA AFRICAN MISSION HEALTHCARE  
AND AFFILIATE**

**Notes to Consolidated Financial Statements**

December 31, 2022 and 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

**CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of checking and savings accounts. As of December 31, 2022 and 2021, AMH has cash and cash equivalents on deposit with financial institutions that exceed the federally insured (FDIC) balance by approximately \$14,500,000 and \$27,000,000, respectively.

**INVESTMENTS**

Investments held by AMH as of December 31, 2022 and 2021 consist of money market accounts and private equity funds. Investments in money market accounts are held at cost. Investments in private equity are carried at the net asset value of the underlying investment. All investments with readily determinable fair values are recorded at fair market value. Unrealized gains or losses in fair value are recognized in the year in which they occur and reflected on the consolidated statement of activities. Interest income is recorded on the consolidated statement of activities when it is earned.

**CONTRIBUTIONS AND OTHER RECEIVABLES**

AMH records unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the consolidated statements of activities. AMH determines the allowance for uncollectable promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. There is no allowance for doubtful accounts at December 31, 2022 and 2021, as outstanding balances are considered fully collectible. Additionally, no discount has been recorded related to these pledges as the amount would not be material to the consolidated financial statements.

Amounts as of December 31, 2022, are due in:

Less than one year	\$ 295,483
One to three years	<u>702,095</u>
	<u><u>\$ 997,578</u></u>

**AFRICAN MISSION HEALTHCARE FOUNDATION  
DBA AFRICAN MISSION HEALTHCARE  
AND AFFILIATE**

**Notes to Consolidated Financial Statements**

December 31, 2022 and 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

**CLOSED RESERVE FUND**

AMH, with the support of an existing major donor, has established plans for the AMH "Closed Reserve Fund." Periodic donations made specifically to the Closed Reserve Fund will be invested in longer-term private equity and other non-traditional investments with greater potential for above market returns. The investments are selected by management with input and oversight by the AMH Investment Committee. Current plans are to invest and reinvest these funds for an extended period (e.g., the next twenty years) in an effort to build up substantial reserves for future program needs. The objectives for the Closed Reserve Fund and the nature of planned investments present substantial risks including reduced liquidity and increased volatility. Recognizing these related risks, only funds specifically donated for the inclusion in the Closed Reserve Fund are to be invested in this manner.

**OPERATING LEASE – RIGHT-OF-USE ASSETS AND OBLIGATIONS**

AMH adopted Accounting Standards Update (ASU) 2016-02 (see recently adopted accounting standard below) and its related amendments as of January 1, 2022, which resulted in the recognition of operating lease right-of-use assets totaling \$123,098, as of January 1, 2022, as well as operating lease obligations totaling \$119,833. AMH elected to adopt the transition relief provisions from ASU 2018-11 and recorded the impact of adoption as of January 1, 2022, without restating prior-year amounts. The additional lease disclosures can be found in Note 5.

**LAND, FURNITURE, AND EQUIPMENT**

AMH capitalizes land, furniture, and equipment purchases exceeding \$5,000 and expenses lesser amounts in the year purchased. Furniture and equipment are recorded at cost. Depreciation is computed on the straight-line method over the estimated useful lives ranging from 3-20 years. AMH furniture and equipment consists of medical equipment, vehicles, computers, and furniture.

**GRANTS PAYABLE**

Amounts become payable based on applicable conditions present in the agreements between AMH and partner hospitals or other organizations. Grants payable consist of amounts unconditionally owed and for which relevant conditions have been met based on agreements entered into between AMH and these organizations.

**AFRICAN MISSION HEALTHCARE FOUNDATION  
DBA AFRICAN MISSION HEALTHCARE  
AND AFFILIATE**

**Notes to Consolidated Financial Statements**

December 31, 2022 and 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

**CLASSES OF NET ASSETS**

The net assets of AMH are reported in the following classes:

*Net assets without donor restrictions* are those currently available at the discretion of the board for use in AMH's operations or support of AMH's partner hospitals or other organizations, as well as those resources currently invested in furniture and equipment.

*Net assets with donor restrictions* include resources restricted by donors primarily for the support of designated partner hospitals or other organizations, or for specified projects or programs.

**SUPPORT AND REVENUE**

Contributions are recorded when made, which may be when cash and other assets are received or when unconditionally promised. AMH reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the contributed amounts. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is satisfied, 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. All contributions are considered available for use without donor restrictions unless specifically restricted by the donor.

Interest and other income is recognized when earned.

**FUNCTIONAL ALLOCATION OF EXPENSES**

The costs of providing program services and supporting activities have been summarized on a functional basis. Accordingly, certain costs relating to more than one function, such as payroll, travel, and facilities expenses, have been allocated among the program services, general and administrative, and fundraising activities benefited. Salaries are allocated based on the time and effort spent by each employee, and all other expenses are allocated based on the purpose of the expense.

**AFRICAN MISSION HEALTHCARE FOUNDATION  
DBA AFRICAN MISSION HEALTHCARE  
AND AFFILIATE**

**Notes to Consolidated Financial Statements**

December 31, 2022 and 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

**RECENTLY ADOPTED ACCOUNTING STANDARDS**

In 2016, Financial Accounting Standards Board (FASB) issued ASU No. 2016-02, *Leases* (Topic 842 of the ASC). The amendments in this update require organizations that lease assets to recognize on the statement of financial position the assets and liabilities for the rights and obligations created by the leases. A lessee is required to recognize assets and liabilities for leases with terms of more than 12 months. The amendments are effective for fiscal years beginning after December 15, 2021. AMH adopted this update for the year ended December 31, 2022. Some of AMH's contracts contain the right to control the use of property or assets and are therefore considered leases. AMH elected to adopt the transition relief provisions from ASU 2018-11, *Leases* (Topic 842): *Targeted Improvements* and recorded the impact of adoption as of January 1, 2022, without restating any prior-year amounts. AMH also elected the practical expedient to not separate lease and non-lease components. The additional lease disclosures can be found in Notes 5. The effect of the adjustment to the opening balance of net assets totaled \$3,265. As it was deemed immaterial, the net asset difference was adjusted through office and other expenses on the consolidated statements of activities and functional expenses. This amount is reported as a non-cash effect of change in accounting principle on the statements of cash flows.

In 2020, the FASB issued Accounting Standards Update (ASU) No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. AMH adopted the provisions of this new standard during the year ended December 31, 2022. This new standard enhances the presentation and disclosures related to contributed nonfinancial assets, including information about the measurement of contributed nonfinancial assets. The adoption of this standard had minimal impact on AMH's financial statements.

**AFRICAN MISSION HEALTHCARE FOUNDATION  
DBA AFRICAN MISSION HEALTHCARE  
AND AFFILIATE**

**Notes to Consolidated Financial Statements**

December 31, 2022 and 2021

3. LIQUIDITY AND FUNDS AVAILABLE:

The following table reflects AMH's financial assets reduced by amounts not available for general use within one year, as of December 31, 2022 and 2021, respectively. Financial assets are considered unavailable when illiquid or not convertible to cash within one year.

	December 31,	
	2022	2021
Financial assets:		
Cash and cash equivalents	\$ 29,961,613	\$ 23,835,166
Investments	700,487	409,123
Contributions and other receivables–net	997,578	140,750
Cash – closed reserve fund	5,900,000	6,000,000
Financial assets, at year-end	37,559,678	30,385,039
Less those unavailable for general expenditures within one year, due to:		
Restrictions due to purpose and time	(19,036,723)	(18,015,975)
Contributions receivable not due within one year	(702,095)	-
Investments not expected to be liquidated within one year	(100,000)	-
Financial assets available within one year to meet cash needs for general expenditures	\$ 17,720,860	\$ 12,369,064

As part of AMH's liquidity management, it maintains a substantial portion of its assets in cash and cash equivalents to ensure that amounts are available to pay its program and other general expenditures, liabilities, and other obligations as they come due.

Of the \$17,720,860 of total financial assets available within one year, AMH expects that \$15.8 million will be spent during 2023 for program, operating, and fundraising expenses. The remaining balance is held at management's discretion for future program needs and investments in operational and fundraising capabilities.

**AFRICAN MISSION HEALTHCARE FOUNDATION  
DBA AFRICAN MISSION HEALTHCARE  
AND AFFILIATE**

**Notes to Consolidated Financial Statements**

December 31, 2022 and 2021

3. LIQUIDITY AND FUNDS AVAILABLE, continued:

The balance of financial assets unavailable during 2023, restricted due to purpose and time, totaled \$19,036,723 and is held for the following purposes:

- \$5.9 million is held for investing in the closed reserve fund. Donors established the closed reserve fund support the long-term operations and programs of AMH.
- \$4.2 million was raised during the Health for Nuba Campaign and is held for the long-term needs of Mother of Mercy Hospital in the Nuba Mountains.
- \$8.4 million is held for specific future program expenditures.
- \$500,000 is held to address future program needs that may arise.

4. INVESTMENTS:

Investments as of December 31, 2022 and 2021, consist of:

	December 31,	
	2022	2021
Money market funds	\$ 600,487	\$ 409,123
Alternative Investments	100,000	-
	\$ 700,487	\$ 409,123



**AFRICAN MISSION HEALTHCARE FOUNDATION  
DBA AFRICAN MISSION HEALTHCARE  
AND AFFILIATE**

**Notes to Consolidated Financial Statements**

December 31, 2022 and 2021

4. INVESTMENTS, continued:

AMH uses Net Asset Value (NAV) to determine the fair value for all private equity investments which (a) do not have a readily determinable fair value and (b) prepare their financial statements consistent with the measurement principles of an investment company or have attributes of an investment company. There were no investments in other investment companies (in partnership format) at December 31, 2021. The following table lists special investments by major category at December 31, 2022:

Investment Category	Strategy	Fair Value Determined Using NAV	\$ Amount of Unfunded Commitments	Timing to Draw Down Commitments	Redemption Terms	Redemption Restrictions in Place at Year End
Private Investment Fund	The Fund seeks to acquire and monetize business interruption insurance claims arising from the COVID-19 pandemic.	\$ 50,000	\$ 150,000	Drawn as-needed with a minimum of 10 business days' prior written notice.	Six years from the final closing. Fund manager has the option to extend for up to two, one-year periods.	Fund is illiquid with no right of redemption prior to fund maturity.

**AFRICAN MISSION HEALTHCARE FOUNDATION  
DBA AFRICAN MISSION HEALTHCARE  
AND AFFILIATE**

**Notes to Consolidated Financial Statements**

December 31, 2022 and 2021

4. INVESTMENTS, continued:

Investment Category	Strategy	Fair Value Determined Using NAV	\$ Amount of Unfunded Commitments	Timing to Draw Down Commitments	Redemption Terms	Redemption Restrictions in Place at Year End
Private Investment Fund	Invests in growth credit opportunities extending credit to innovative, high-growth companies.	<u>50,000</u>	<u>450,000</u>	Drawn as-needed for three years following the initial investment.	Six years from the Initial Closing, subject to a one-year extension in the General Partner's sole discretion and an additional one-year extension with the consent of the LP Committee.	Following the end of each fiscal quarter of the Partnership, each Partner's share of Distributable Assets will generally be distributed. Fund is illiquid with no right of redemption prior to fund maturity.
		<u>\$ 100,000</u>	<u>\$ 600,000</u>			

**AFRICAN MISSION HEALTHCARE FOUNDATION  
DBA AFRICAN MISSION HEALTHCARE  
AND AFFILIATE**

**Notes to Consolidated Financial Statements**

December 31, 2022 and 2021

5. OPERATING LEASES – RIGHT-OF-USE ASSETS AND OBLIGATIONS:

AMH leases office space under two operating leases expiring at various dates through 2025. The discount rate represents the risk-free discount rate using a period comparable with that of the individual lease term on the inception date of the lease. The leases require monthly payments ranging from \$1,575 to \$7,609. Discount rates on these leases range from 1.91% to 4.12%. Total expense incurred under the operating leases for the year ended December 31, 2022 was \$50,746.

	<u>December 31, 2022</u>
Operating lease right-of-use assets	\$ 110,766
Operating lease liabilities	\$ 109,317
Operating lease costs	\$ 50,746
Weighted-average discount rate	2.56%
Weighted-average remaining lease term	2.28 years

Future minimum lease payments required under the operating leases that have an initial or remaining lease terms in excess of one year are as follows:

<u>Year Ending December 31,</u>		
2023	\$	50,478
2024		46,133
2025		15,979
		112,590
Less imputed interest		(3,273)
	<u>\$</u>	<u>109,317</u>

6. OPERATING LEASES:

Prior to the adoption of ASUs 2016-02 and 2018-11 under Topic 842 as described in Note 2, AMH was applying Topic 840 in relation to operating leases. During the year ended December 31, 2021, the organization had operating lease expenses totaling approximately \$51,000.

**AFRICAN MISSION HEALTHCARE FOUNDATION  
DBA AFRICAN MISSION HEALTHCARE  
AND AFFILIATE**

**Notes to Consolidated Financial Statements**

December 31, 2022 and 2021

7. LAND, FURNITURE, AND EQUIPMENT–NET:

Land, furniture, and equipment–net consist of:

	December 31,	
	2022	2021
Land	\$ 26,495	\$ 28,865
Vehicles	12,236	33,378
Medical equipment	430,590	-
Computers and equipment	70,680	66,029
Furniture and fixtures	36,210	30,618
	576,211	158,890
Less accumulated depreciation	(66,714)	(82,330)
	\$ 509,497	\$ 76,560

8. NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions as of December 31, 2022 and 2021, consist of:

	December 31,	
	2022	2021
Transforming Healthcare programs and projects	\$ 8,398,474	\$ 6,416,926
Gidel Mother of Mercy Hospital	7,839,804	4,554,998
Time restricted for closed reserve fund	5,900,000	6,000,000
Other specified hospital and clinic projects	3,113,197	2,155,144
Mission Hospital Teaching Network	2,906,273	3,074,290
General medical projects and programs	2,135,351	1,402,101
Anesthesia program and training	1,700,984	531,692
South Sudan partners, projects, and programs	1,112,595	206,485
Oxygen projects	1,017,244	2,120,880
ELWA Hospital	867,536	693,230
Surgical access (SAFE) program	361,938	170,692
Tenwek Cardio Thoracic Center	266,834	508,273
Other restricted	217,124	151,727
Housing (HOPE) program	47,966	44,965
Other time restrictions	-	133,442
	\$ 35,885,320	\$ 28,164,845

**AFRICAN MISSION HEALTHCARE FOUNDATION  
DBA AFRICAN MISSION HEALTHCARE  
AND AFFILIATE**

**Notes to Consolidated Financial Statements**

December 31, 2022 and 2021

9. CONCENTRATION:

During the year ended December 31, 2022, AMH received contributions from one donor that totaled approximately \$9,000,000. During the year ended December 31, 2021, AMH received a contribution from three donors that totaled approximately \$17,017,814. These gifts account for approximately 46% and 70% of total support and revenue for the years ended December 31, 2022 and 2021, respectively.

10. RELATED PARTY TRANSACTIONS:

During the years ended December 31, 2022 and 2021, AMH received donations from board members and members of senior management totaling approximately \$481,000 and \$176,000, respectively.

11. SUBSEQUENT EVENTS:

Subsequent events were evaluated through May 30, 2023, which is the date the consolidated financial statements were available to be issued.