ANGEL EYES
Denver, CO

FINANCIAL STATEMENTS
December 31, 2013

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Angel Eyes Inc.

We have audited the accompanying financial statements of Angel Eyes Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2013, and the related statements of activities 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 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, 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 Angel Eyes Inc. as of December 31, 2013, 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.

Green + Associates LLC

May 4, 2014
Brighton, CO

Angel Eyes
Statement of Financial Position
December 31, 2013

ASSETS		
Current Assets		
Cash and investments	$	135,674
Prepaid expenses		2,950
Total Current Assets		138,624
Noncurrent Assets		
Rental deposit		1,109
		1,109
Capital assets		
Furniture and equipment		30,366
Less: accumulated depreciation		(29,237)
Net Capital Assets		1,129
Total Noncurrent Assets		2,238
Total Assets	$	140,862
LIABILITIES		
Current Liabilities		
Accounts payable	$	3,600
Accrued vacation		4,505
Deferred rent		712
Total Current Liabilities		8,817
NET ASSETS		
Unrestricted		132,045
Total Net Assets		132,045
Total Liabilities and Net Assets	$	140,862

The accompanying notes are an integral part of these financial statements.

Angel Eyes
Statement of Activities
For the Year Ended December 31, 2013

	Unrestricted	Temporarily Restricted	Total
REVENUES, GAINS AND OTHER SUPPORT			
Grants	$ 31,825	$ -	$ 31,825
Individuals and Businesses	7,845	-	7,845
Memorial Donations	89,786	-	89,786
Federated Campaigns	14,418	-	14,418
Special Events, net of related expense of $40,696	80,057	-	80,057
Total Revenues	223,931	-	223,931
EXPENSES			
Program Expenses:			
Family and Community Services	115,905	-	115,905
Total Program Services	115,905	-	115,905
Supporting Services:			
Administrative	20,751	-	20,751
Fundraising	16,039	-	16,039
Total Support Services	36,790	-	36,790
Total Expenses	152,695	-	152,695
CHANGE IN NET ASSETS	71,236	-	71,236
Net Assets, beginning of year	60,809	-	60,809
Net Assets, end of year	$ 132,045	$ -	$ 132,045

The accompanying notes are an integral part of these financial statements.

Angel Eyes
Statement of Cash Flows
For the Year Ended December 31, 2013

Cash Flows From Operating Activities		
Change in net assets	$	71,236
Adjustments to reconcile change in net assets to net cash provided by (used) by operating activities		
Depreciation expense		1,004
Decrease (increase) in prepaid expenses		(2,500)
(Decrease) increase in accounts payable		(744)
(Decrease) increase in accrued vacation		(958)
(Decrease) increase in deferred rent		(1,068)
Total adjustments		(4,266)
Net cash provided (used) by operating activities		66,970
Net increase (decrease) in cash and cash equivalents		66,970
Cash and cash equivalents, beginning of year		68,704
Cash and cash equivalents, end of year	$	135,674

The accompanying notes are an integral part of these financial statements.

Angel Eyes
Statement of Functional Expenses
For the Year Ended December 31, 2013

	Family and Community Services	Management and General	Fund Raising	Total
Salaries	$ 69,729	$ 12,000	$ 12,000	$ 93,729
Employee Benefits and Taxes	9,180	960	960	11,100
Total Salaries and related expense	78,909	12,960	12,960	104,829
Occupancy	16,577	1,842	-	18,419
Professional Fees	3,256	3,400	-	6,656
Family Support Expenses	2,966	-	-	2,966
Postage	1,478	164	-	1,642
Communications	4,902	545	-	5,447
Repairs	1,739	193	-	1,932
Travel	959	107	-	1,066
Office Expenses	1,388	694	694	2,776
Insurance	2,928	325	-	3,253
Credit card processing fees	-	-	1,885	1,885
Dues, licenses and permits	-	320	500	820
Total expense before depreciation	115,102	20,550	16,039	151,691
Depreciation	803	201	-	1,004
Total functional expenses	$ 115,905	$ 20,751	$ 16,039	$ 152,695

Note 1 <u>Organization and Summary of Significant Accounting Policies</u>

This summary of significant accounting policies of Angel Eyes, (the Organization) is presented to assist in understanding the Organization's financial statements. The accounting policies conform to accounting principles generally accepted in the United States of America and have been applied to the preparation of the financial statements.

Organization and Nature of Operations
The Organization was formed and organized as a nonprofit organization in 1981 in the State of Colorado. This incorporation represented a merger of the federally funded SIDS Information and Counseling Center and the Colorado Chapter of the National SIDS Foundation.

In 2008, the Organization underwent a strategic planning process, including changing its name, where it opted to expand its mission to provide a comprehensive array of risk reduction and awareness services concerning Sudden Unexpected Infant Death. The sole program service of the organization are to provide professional and compassionate bereavement services in cases of sudden, unexpected infant and toddler death. These services are provided at no cost to the families. The majority of the revenues of the Organization come from donations and other support from the public.

Basis of Accounting
The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities. The Organization follows the Financial Accounting Standards Board (FASB) accounting pronouncements.

Basis of Presentation
Financial statement presentation follows the recommendation of the Financial Accounting Standard Board in its Financial Accounting Standards (FASB ASC 958-205-45), Financial Statements of Non-for-Profit Organizations. The organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Cash and Cash Equivalents
For purposes of the statement of cash flows, the Organization considers petty cash, deposits in bank accounts and certificates of deposit which mature within 90 days of purchase to be cash equivalents.

Grant Revenue and Expenses
Grant revenue for reimbursement based funding is recognized as related expenses are incurred. Funds received but unexpended are recorded as deferred revenue.

Restricted and Unrestricted Revenue Support
Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Note 1 Organization and Summary of Significant Accounting Policies (Continued)

Restricted and Unrestricted Revenue Support (Continued)

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily restricted (primarily research) or permanently (endowments) restricted net assets, depending on the nature of the restriction. When a restriction expires (when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Property, Equipment and Depreciation

The Organization follows the practice of capitalizing expenditures for furniture and equipment, at cost or fair market value if the asset is donated to the organization, that exceed the threshold value of $500. Depreciation is provided using the straight-line method over the estimated useful lives of the assets which range from three to five years. The organization has not adopted a formal policy on the time restrictions of capital assets. Depreciation charged to expense for the year ended December 31, 2013 was $1,004.

In-kind Donations

Donated materials and equipment are reflected as in-kind donations in the accompanying statements at their estimated values on the date of receipt. No amounts have been reflected in the statements for donated services from volunteers as no objective basis is available to measure the value of such services. However, a substantial number of volunteers have donated significant amounts of their time to the organization's services and in its fund-raising activities.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been presented in these financial statements. Due to the Organization's non-profit qualification, individuals and corporate donors may be entitled to a charitable deduction for amounts contributed to the Organization. The Organization's tax returns for 2012, 2011 and 2010 are subject to examination by Federal authorities.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Accrued Vacation Pay

Full-time employees may accumulate or accrue up to 240 hours of annual leave varying on the number of years of employment.

Note 1 Organization and Summary of Significant Accounting Policies (Continued)

Expense Allocation

The costs of providing various services and other activities have been summarized on a financial basis in the statement of activities. Accordingly, certain costs have been allocated among the Organizations and support services benefited.

Note 2 Commitments

The Organization leases office space under an agreement through September 30, 2014 Accordingly, the Organization has the following commitments under the lease agreement:

Year Ending December 31,	Amount
2014	15,025
Total	$ 15,025

Upon the signing of the lease, the Organization has accrued deferred rent which is amortized over the life of the lease relating to rental concessions that were obtained upon the signing of the lease. As of December 31, 2013 the organization has $712 of deferred rent remaining to be amortized. Rental expense for 2013 was $18,419.

Note 3 Defined Contribution Plans

The Organization has a Section 403(b) defined contribution plan covering all employees who have attained an age of 21 years old. The Organization makes discretionary contributions to the employees' accounts each year. In addition, participants may make salary reduction contributions to the plan. The Organization's contribution to the plan for the year ended December 31, 2013, 2012 and 2011 was $0, $0 and $0, respectively.

Note 4 Concentrations of Credit Risk

The Organization maintains cash deposits in two FDIC-insured banks located in the Denver metropolitan area. Accordingly none of the Organization's deposits were exposed to credit risk at December 31, 2013.

Note 5 Release of Temporarily Restricted Net Assets

During the current year, there were no temporary restrictions incurred or released from restriction during the year ended December 31, 2013.

Note 6 Subsequent Events

Management has evaluated subsequent events through May 4, 2014, the date the financial statements were available to be issued.