

CONSOLIDATED  
FINANCIAL STATEMENTS,  
SUPPLEMENTARY INFORMATION  
AND  
INDEPENDENT AUDITOR'S REPORT

ZOE INTERNATIONAL  
ZOE FOUNDATION AUSTRALIA  
ZOE JAPAN

December 31, 2021 and 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
ZOE International

**Opinion**

I have audited the accompanying consolidated financial statements of ZOE International (a California nonprofit organization), which comprise the consolidated statement of financial position as of December 31, 2021 and 2020, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In my opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of ZOE International as of December 31, 2021 and 2020, 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.

**Basis for Opinion**

I conducted my audits in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of ZOE International and to meet my other ethical responsibilities in accordance with the relevant ethical requirements relating to my audits. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Responsibilities of Management for the 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.

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 ZOE International's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

**Auditor's Responsibilities for the Audit of the Financial Statements**

My 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 auditor's report that includes my 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

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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.

I did not audit the financial statements of ZOE Foundation Australia, a related entity, which statements reflect total assets constituting 1.1% and 0.9% of consolidated total assets as of December 31, 2021 and 2020, respectively, and total support and revenues constituting 4.7% and 5.5% of consolidated total support and revenues, respectively, for the years then ended. Those statements were audited by other auditors, whose report has been furnished to me, and my opinion, insofar as it relates to the amounts included for ZOE Foundation Australia, is based solely on the report of the other auditors.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 ZOE International's internal control. Accordingly, no such opinion is expressed.
- 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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about ZOE International's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audits.



Manhattan Beach, California  
July 7, 2022

ZOE International, ZOE Foundation Australia and ZOE Japan

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Years ended December 31

	<u>2021</u>	<u>2020</u>
ASSETS		
Current assets:		
Cash	\$ 5,405,058	\$ 3,901,822
Accounts receivable	165,885	136,884
Prepaid expenses	<u>29,730</u>	<u>31,040</u>
Total current assets	5,600,673	4,069,746
Fixed and term deposit accounts	8,112	8,842
Investments	1,053	1,006
Right-of-use asset	266,108	404,946
Property, plant, and equipment, net of accumulated depreciation	8,015,416	8,413,355
Deposit	<u>19,351</u>	<u>57,131</u>
Total assets	\$13,910,713 =====	\$12,955,026 =====
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	\$ 280,977	\$ 274,384
Current operating lease obligation	147,064	145,714
Deferred support	<u>12,453</u>	<u>8,219</u>
Total current liabilities	<u>440,494</u>	<u>428,317</u>
Operating lease obligation	<u>141,768</u>	<u>288,832</u>
Total liabilities	582,262	717,149
Net assets:		
Net assets without donor restrictions	12,261,496	11,404,423
Net assets with donor restrictions:		
Missionary support	621,034	413,887
Children's homes - Los Angeles	150,000	393,778
Building Fund - Los Angeles	251,705	-
Other	<u>44,216</u>	<u>25,789</u>
Total net assets with donor restrictions	<u>1,066,955</u>	<u>833,454</u>
Total net assets	<u>13,328,451</u>	<u>12,237,877</u>
Total liabilities and net assets	\$13,910,713 =====	\$12,955,026 =====

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

ZOE International, ZOE Foundation Australia and ZOE Japan

CONSOLIDATED STATEMENTS OF ACTIVITIES

Years ended December 31

	<u>2021</u>	<u>2020</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS		
Unrestricted support and revenue		
Contributions	\$ 3,941,965	\$ 2,449,285
Contract revenue	881,605	829,189
Grant	5,000	321,000
Other	<u>634</u>	<u>6,938</u>
Total unrestricted support and revenue before release of restricted net assets	4,829,204	3,606,412
Net assets released from donor restrictions		
Restrictions satisfied by payments	<u>2,423,369</u>	<u>3,847,796</u>
Total unrestricted support and revenue	<u>7,252,573</u>	<u>7,454,208</u>
Expenses		
Program services	4,428,840	3,482,119
Supporting services		
Fundraising	584,398	260,720
Management and general	<u>713,843</u>	<u>562,474</u>
Total expenses	<u>5,727,081</u>	<u>4,305,313</u>
Increase in net assets without donor restrictions	<u>1,525,492</u>	<u>3,148,895</u>
NET ASSETS WITH DONOR RESTRICTIONS		
Contributions	2,377,681	2,503,771
Grants	279,189	-
Net assets released from donor restrictions		
Restrictions satisfied by payments	<u>(2,423,369)</u>	<u>(3,847,796)</u>
Increase (decrease) in net assets with donor restrictions	<u>233,501</u>	<u>(1,344,025)</u>
Increase in net assets	1,758,993	1,804,870
Net assets, beginning of year	12,237,877	10,475,473
Foreign currency translation gain (loss)	<u>(668,419)</u>	<u>(42,466)</u>
Net assets, end of year	\$13,328,451 =====	\$12,237,877 =====

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

ZOE International, ZOE Foundation Australia and ZOE Japan

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended December 31

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$1,758,993	\$1,804,870
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	253,959	204,726
Lease amortization	(6,876)	25,809
Government grant	-	(321,000)
Donations of securities	(74,130)	(92,982)
(Increase) decrease in assets		
Accounts receivable	(29,001)	(71,409)
Prepaid expenses	107	(25,269)
Employee advances	-	1,314
Deposit	37,000	3,898
Increase (decrease) in liabilities		
Accounts payable	16,743	170,244
Deferred support	<u>4,234</u>	<u>8,219</u>
Net cash provided by operating activities	1,961,029	1,708,420
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases for property and equipment	(428,538)	(2,341,959)
Investment in term deposit account	-	53,698
Proceeds from sale of donated securities	<u>74,083</u>	<u>97,833</u>
Net cash (used in) investing activities	(354,455)	(2,190,428)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from government grant	<u>-</u>	<u>321,000</u>
Net cash provided by financing activities	-	321,000
Foreign currency translation adjustment	<u>(103,338)</u>	<u>8,909</u>
NET INCREASE (DECREASE) IN CASH	1,503,236	(152,099)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>3,901,822</u>	<u>4,053,921</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	\$5,405,058 =====	\$3,901,822 =====

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

ZOE International, ZOE Foundation Australia and ZOE Japan

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2021

	<u>PROGRAM SERVICES</u>	<u>SUPPORTING SERVICES</u>		<u>TOTAL</u>
	<u>Humanitarian</u>	<u>Fundraising</u>	<u>Management and General</u>	
Missionary, fieldworker salaries	\$ 1,227,887	\$ 6,435	\$ 32,321	\$ 1,266,643
Other wages and benefits	1,568,265	324,512	371,136	2,263,913
Accounting and professional fees	91,833	-	64,999	156,832
Depreciation	237,127	-	16,832	253,959
Equipment, repairs and maintenance	134,404	200	25,035	159,639
Finance and business expense	120,047	12	57,631	177,690
Marketing and public awareness	7,316	161,943	1,157	170,416
Meals	103,670	5,288	5,361	114,319
Missions support and relief aid	234,679	2,713	24,518	261,910
Occupancy	457,660	21,622	27,132	506,414
Office and other supplies	49,115	3,862	12,394	65,371
Postage and printing	5,880	790	34,067	40,737
Training and conferences	60,641	9,687	36,180	106,508
Transportation	103,761	38,213	2,269	144,243
Travel	26,555	9,121	2,811	38,487
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total	<u>\$ 4,428,840</u>	<u>\$ 584,398</u>	<u>\$ 713,843</u>	<u>\$ 5,727,081</u>

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



ZOE International, ZOE Foundation Australia and ZOE Japan

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2020

	<u>PROGRAM SERVICES</u>	<u>SUPPORTING SERVICES</u>		<u>TOTAL</u>
	<u>Humanitarian</u>	<u>Fundraising</u>	<u>Management and General</u>	
Missionary, fieldworker salaries	\$ 1,279,551	\$ -	\$ 26,941	\$ 1,306,492
Other wages and benefits	983,904	194,947	291,221	1,470,072
Accounting and professional fees	83,792	-	69,709	153,501
Depreciation	191,061	-	13,665	204,726
Equipment, repairs and maintenance	126,620	1,729	35,409	163,758
Finance and business expense	69,219	13,915	17,654	100,788
Marketing and public awareness	62,084	17,104	568	79,756
Meals	93,890	4,486	2,879	101,255
Missions support and relief aid	137,324	1,498	25,548	164,370
Occupancy	234,857	16,198	34,776	285,831
Office and other supplies	35,338	3,004	13,032	51,374
Postage and printing	3,349	477	21,853	25,679
Training and conferences	38,718	1,030	1,210	40,958
Transportation	97,747	569	1,776	100,092
Travel	44,665	5,763	6,233	56,661
<b>Total</b>	<b>\$ 3,482,119</b>	<b>\$ 260,720</b>	<b>\$ 562,474</b>	<b>\$ 4,305,313</b>

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE A - ORGANIZATION

MISSION

ZOE International ("ZOE") is a non-profit organization originally incorporated as ZOE in California on December 7, 2002. The ultimate goal of ZOE is to present the gospel of Jesus Christ to those who have never heard the story of Jesus, inviting them to a life transformation through Christ, and to demonstrate the gospel through the prevention, rescue, and restoration of children victimized by human trafficking worldwide.

On a micro level, ZOE mainly seeks to assist children at risk of human trafficking and children who have already been caught in the snare of slavery. On a macro level, ZOE seeks to help the whole of society shift from a mindset that turns a blind eye toward child trafficking to one that rejects and actively opposes the sexual and financial exploitation of children.

ZOE's vision is to help fulfill God's dream that every person on earth will know Him and possess eternal life through Jesus Christ; and that in lands where Christ is unknown, His love will be experienced, His kingdom will reign, His Church will be built, His disciples will multiply, and He will be glorified.

To that end, ZOE's primary objective is to rescue and protect destitute children from slavery. ZOE desires to provide a holistic answer to the question, "Who will embody the love, mercy, and good news of God to orphans and vulnerable children who have been enslaved or who are highly at risk of being enslaved?" ZOE believes God's heart is broken for these children because He is the "father to the fatherless" (Psalm 68:5). "The thief comes only to steal and kill and destroy; I [Jesus] have come that they may have life (Greek: zoe), and to have it to the full" (John 10:10). Those at ZOE derive great joy and peace, understanding that while the challenges surrounding trafficking issues are immense, God is greater than the evil and is able to overcome it. They desire that all of the world's children will be safe and aware of their worth as beloved creations of the almighty God.

THAILAND

In January 2007, ZOE International Foundation was formed as a nonprofit entity in Thailand. The primary purpose of the entity is to legally operate programs in Thailand, and achieve the objectives of the founding corporation based in the United States. ZOE International Foundation's board of directors has five members, of whom three serve as directors on ZOE's USA board as well.

ZOE's Child Rescue program is on the cutting edge of prevention, intervention, and aftercare for child trafficking victims. Their multi-faceted strategy includes anti-trafficking education, food and medical provision, leadership training, self-sustainable agriculture, coordinating

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE A - ORGANIZATION - continued

access to social services, and network-building. They partner with other organizations and area churches to provide food, shoes, and other needed items to vulnerable communities.

ZOE's Children's Homes in Thailand enables their children to attend public or private schools. Life skills education is also part of the Children's Homes program. This includes learning basic agricultural, sewing, cooking, weaving, money handling, and marketplace skills. In May 2017, ZOE received Thai government authorization to confer official educational diplomas on students who matriculate from ZOE's Learning Center, greatly enhancing their access to better jobs. The Center provides traditional and vocational education to children at ZOE who are unable to attend school off campus due to educational delays or safety concerns related to ongoing court cases.

ZOE has an active Self-Sustainability program with dedicated agricultural staff on their 33-acre Thailand campus, including organic crop production, organic animal husbandry, fish farming, and water conservation. Approximately 12 acres of the campus produces crops including fruit, vegetables, herbs, spices, a mushroom farm, hothouse, and enough corn to feed 150 pigs. They have a composting facility, utilize natural pesticides and herbicides, and have a 1.5 million gallon capacity water reservoir. Their fish farm is estimated to produce 2,500-4,000 kilos of fish per year.

ZOE's Transitional Home program in Thailand supports ZOE young adults, 18 years and over, while they complete their high school education, vocational training, university degree, or obtain suitable employment. ZOE may even offer financial assistance to these young people.

ZOE's two-year Leadership Academy produces educated graduates with strong biblical literacy, an understanding of leadership and business principles, adequate command of English and Thai speech, and ability to articulate human trafficking issues, particularly with respect to the exploitation of children.

In 2017, ZOE opened a 40,000 square foot state-of-the-art Child Rescue Center in Thailand covering 2.5 acres of their campus. It serves as a specialized site where representatives from law enforcement, government, and nongovernmental organizations work together to identify and serve victims of child trafficking, including sheltering rescued children. The Center provides trauma-informed care, education, vocational training, and life skills preparation.

AUSTRALIA

In November of 2011, ZOE Foundation Australia, a nonprofit organization, was

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE A - ORGANIZATION - continued

incorporated and domiciled in Australia. The primary purpose of the entity is to fund the deployment of human trafficking prevention programs and rescue operations in Thailand through the in-country partner, ZOE International Foundation. Additionally, ZOE Foundation Australia raises funds for ZOE children's home in Chiang Mai, Thailand which provides shelter and aftercare to orphans and children at risk of, and those who have been rescued from, human trafficking. ZOE Foundation Australia's board has five members, of whom one serves as a director on ZOE's international and USA board as well.

UNITED STATES

In 2017, ZOE added key leadership positions in the Los Angeles office, which included a Western USA Regional Director, Assistant Western USA Regional Director, and Manager of Educational programs. Their education and experience provide high quality services to youth who have experienced complex trauma and trafficking. A Chief Operating Officer was added to the executive leadership team in 2018 and an Eastern USA Regional Director in 2019 primarily focused on fundraising events.

In 2016, ZOE purchased a 50-acre parcel of land in Los Angeles County. After finalizing construction in 2020, the certificate of occupancy was issued February 10, 2021 and the home opened in August 2021 after obtaining their licensing as a Short-Term Residential Therapeutic Program (STRTP) and is in the process of obtaining their Department of Mental Health certification as well.

ZOE Home for Youth (ZHY) provides specialized, intensive treatment and 24-hour care and supervision for up to 6 youth, ages 12-17, who have experienced Commercial Sexual Exploitation and other slave-like treatment. ZHY supports youth in developing family connections and natural community support. Staff assists youth and families in identifying and cultivating their inherent strengths to aid in their healing process from the impacts of trauma. These relational connections ease their transitions to family-based placement or independent living and promote long-term personal success.

ZOE has an advocacy services contract and a placement contract for ZHY with the County of Los Angeles, Department of Children and Family Services (DCFS) and supports the DCFS in a variety of ways. ZOE supplies resources, gifts and assists in coordinating events for the trafficked children served by the County, as well as conducts human trafficking awareness and prevention events that provide information throughout the County. ZOE provides engagement activities at a shelter to girls who are at risk or have been trafficked. These include trauma informed, arts-based activities teaching life skills and positive strategies to respond to life challenges.

ZOE International, ZOE Foundation Australia and ZOE Japan

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE A - ORGANIZATION - continued

JAPAN

ZOE Japan was formed in March 2017 as a private organization and became legally recognized in Japan in September 2017. ZOE Japan's board has three members, of whom one serves as director on ZOE's International and U.S. board as well. The small Japanese staff provide Child Trafficking Prevention education and awareness to schools, churches, and community groups, and translate ZOE's educational materials and media into Japanese.

MEXICO

ZOE Mexico obtained legal status in 2017 to operate as a nonprofit to provide training to equip the Mexican citizens with tools to prevent child trafficking. ZOE is committed to be part of the solution to the large human trafficking problem in Mexico. In 2018, ZOE Mexico opened an office in Oaxaca, continued to partner with a school serving at-risk children, and started a prevention curriculum to be taught in schools whose children are vulnerable to human trafficking. Opportunities are being explored with key government officials and leaders to combat human trafficking.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Consolidation

The accounts, results of operations and cash flows of ZOE and ZOE International Foundation (collectively referred to as "ZOE") have been consolidated in these financial statements pursuant to the Financial Accounting Standards Board (FASB) in *Accounting Standards Codification (ASC) 958 Not-for-Profit Entities*. Topic 958 dictates consolidation when one not-for-profit entity has both control over, and an economic interest in, another not-for-profit entity. Intercompany accounts and transactions have been eliminated in consolidation.

The financial statements consolidated the accounts, results of operations and cash flows of ZOE Foundation Australia and ZOE Japan with those of ZOE. ZOE has substantial economic interest in the activities of ZOE Foundation Australia ("ZFA") and ZOE Japan, benefitting from both financial resources and front line personnel. Topic 958 encourages consolidation when one organization has an economic interest, and control that does not result from a majority voting interest, as in the present relationships. Intercompany transactions have been eliminated in consolidation.

Foreign Currency Translation

Assets and liabilities of foreign operations, where the local currency is the functional currency, have been translated at year-end exchange rates and statement of activity accounts have been translated using weighted average yearly

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

exchange rates, as permitted by Financial Accounting Standards Board in *FASB Accounting Standards Codification 830, Foreign Currency Matters*. Adjustments resulting from translation have been recorded as a component of unrestricted net assets.

Method of Accounting

The accompanying consolidated and combined financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in *FASB Accounting Standards Codification 958, Not-for-Profit Entities*. Under Topic 958, ZOE is required to report information regarding the nature and amount of its net assets.

Cash and Cash Equivalents

ZOE considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. At December 31, 2021 and 2020 there were no cash equivalents.

Investments

The corporation conforms to ASC 958-320, *Not-for-Profit Entities - Investments Debt and Equity Securities*. Investments in marketable securities with readily determinable fair values and all debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Short-term investments consist of debt securities with original maturities of twelve months or less. Long-term investments consist of marketable securities and debt securities with original maturities greater than twelve months.

Leases

In accordance with FASB ASU No. 2016-02 amending FASB ASC 842, *Leases*, the statement of financial position includes a right-of-use asset for the lease term and the lease liability, both measured initially at the present value of the lease payments. ZOE elected the nonpublic entity option to use their risk-free discount rate quoted for the date the lease commenced. The five-year treasury rate was 2.83% on December 1, 2018. The cost of the lease is allocated over the lease term on a straight-line basis.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Property, Plant, and Equipment

Property, plant, and equipment purchases of \$3,000 or more are capitalized and depreciated on a straight-line basis over their estimated lives (3-30 years). Expenditures for maintenance and repairs are charged directly to the appropriate operating account at the time the expense is incurred. Expenditures determined to represent additions and betterments are capitalized.

The cost of assets sold or retired and the related amount of accumulated depreciation are eliminated from the accounts in the year of sale or retirement. Any resulting profit or loss is reflected in the statement of activities.

Valuation of Long-Lived Assets

The valuation of long-lived assets is accounted for under the Financial Accounting Standards Board in *FASB Accounting Standards Codification 360, Property, Plant, and Equipment*. Topic 360 establishes standards for recognizing and measuring impairment of long-lived assets including property and equipment. Assets subject to the provisions of Topic 360 are reviewed for impairment and, if such impairment is identified, written down to their fair value. Identified impairment losses are charged to operations in the statement of activities.

Contributions

Unconditional contributions received are recognized immediately as unrestricted or restricted support, depending on the existence and/or nature of any donor restrictions. All donor-restricted revenue is reported as an increase in net assets with donor restrictions. When a 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 donor restrictions.

In June, 2018, the FASB published ASU No. 2018-08 amending FASB ASC 958, Not-for-Profit Entities. This update requires identifying a contribution as conditional based on an agreement that includes a barrier that must be overcome and either a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets. Conditional contributions are initially recorded as a liability. Once the barriers to entitlement are overcome, the donation is recognized as unconditional and classified as net assets with or without restrictions.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Expense Allocation

The costs of providing various programs and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among program services, fund-raising, and management and general, based on the purpose of goods used and services provided or the amount of time spent in those activities. The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, which is allocated on a square-footage basis, as well as salaries and benefits, which are allocated on the basis of estimates of time and effort. ZOE, ZFA and ZOE Japan have adopted *FASB Accounting Standards Codification 958, Not-for-Profit Entities*. Their policy is to report all joint costs, as defined by Topic 958, as fundraising expenses.

Income Taxes

ZOE is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (per determination letter dated March 23, 2007) and state franchise taxes under California Section 23701d (per determination letter dated January 4, 2006). ZFA is exempt from Australian income tax under Division 50 of the Income Tax Assessment Act. ZOE Japan is exempt from Japanese income tax pursuant to the 2017 Corporation Tax Act of Japan consideration of domestic public interest corporations. ZOE and ZFA did not generate any unrelated business taxable income during the years ended December 31, 2021 or 2020, therefore there is no provision for income or franchise taxes in the accompanying consolidated and combined financial statements. The corporation is no longer subject to examination by the Internal Revenue Service for years ended before December 31, 2018 and the California Franchise Tax Board for years ended before December 31, 2017.

Use of Estimates

The preparation of consolidated and combined 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 contingent assets and liabilities (e.g., depreciation and potential impairments to fixed assets) at the date of the financial statements, and the reported amounts of revenues and expenses (e.g., the fair value of non-cash contributions received) during the reporting period. Actual results could differ from those estimates.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Subsequent Events

Management has evaluated subsequent events through July 7, 2022, the date the financial statements were available to be issued.

NOTE C - CONCENTRATION OF CREDIT RISK

ZOE, ZFA and ZOE Japan maintain most of their cash in commercial bank accounts in the United States, Australia, Japan and Thailand. The United States funds exceeded insured limits by \$3,631,399 as of December 31, 2021. ZOE holds fixed deposit accounts earning interest at 0.65% and 1.60%, respectively, and maturing on July 4, 2024 and September 20, 2022. The Thai deposits exceed insured limits by \$819,450 (24,591,684 baht), in addition to cash on hand. ZFA holds an at call account earning 0.01% and 0.93% interest at December 31, 2021 and 2020, respectively. The organization has not experienced any losses in these foreign funds aside from those resulting from changes in the currency exchange rates. Funds in the Australian bank are not insured. ZOE and ZFA believe they are not exposed to any significant credit risk related to cash. ZOE Japan funds are within insured limits.

Cash consists of the following accounts:

	<u>2021</u>	<u>2020</u>
United States		
Checking accounts	\$1,760,043	\$1,539,490
Savings account	2,317,832	1,323,433
Undeposited funds and petty cash	217,760	36,779
Thailand		
Checking account	861,511	838,363
Savings account	12,921	2,849
Undeposited funds and cash on hand	19,990	23,583
Australia		
Checking account	151,346	114,953
Japan		
Savings accounts	<u>63,655</u>	<u>22,372</u>
	\$5,405,058	\$3,901,822
	=====	=====

NOTE D - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the ZOE's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of its nature, board designated uses, and donor restrictions within one year of the statement of financial position date.

ZOE International, ZOE Foundation Australia and ZOE Japan

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE D - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS - continued

	<u>2021</u>	<u>2020</u>
Financial assets at year-end	\$5,414,224	\$3,911,670
Less those unavailable for general expenditures within one year, due to:		
Donor restrictions	1,066,955	833,454
Maturity dates	<u>8,112</u>	<u>8,842</u>
Financial assets available to meet cash needs for general expenditure within one year	\$4,339,157	\$3,069,374
	=====	=====

ZOE monitors its cash position monthly and forecasts cash flow of support, expenses, and capital expenditures to assess cash needs currently and for the following year.

NOTE E - INVESTMENTS AND FAIR VALUE MEASUREMENTS

The organization uses an account at TD Ameritrade to hold securities donated to ZOE until they are liquidated.

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis, are as follows:

	Fair Value	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Short-term investments			
Stocks	\$ 1,053	\$ -	\$ -
Mutual funds	<u>-</u>	<u>-</u>	<u>-</u>
Total at December 31, 2021	\$ 1,053	\$ -	\$ -
	=====	=====	=====
	Fair Value	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Short-term investments			
Stocks	\$ 1,006	\$ -	\$ -
Mutual funds	<u>-</u>	<u>-</u>	<u>-</u>
Total at December 31, 2020	\$ 1,006	\$ -	\$ -
	=====	=====	=====

ZOE International, ZOE Foundation Australia and ZOE Japan

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE F - RIGHT-OF-USE ASSET AND OPERATING LEASE OBLIGATION

ZOE leases office space in Newhall, California. The lease is for five years, commencing on December 1, 2018 with initial monthly payments of \$11,950. The lease provides for annual rent increases of five percent. The lease also grants an option to extend the term of the lease for an additional five year period. The extension option is not recognized as part of ZOE's right-of-use asset and lease liability. Rent expense for this office was \$158,484 in 2021 and 2020.

Estimated future minimum rentals over the remaining lease term are:

	2022	\$166,710
	2023	<u>159,775</u>
Total Minimum Future rentals		\$326,485 =====

	<u>2021</u>		<u>2020</u>
Undiscounted cash flows	\$ 326,485	\$	491,845
Discount implicit in the lease	<u>(37,653)</u>		<u>(57,299)</u>
Operating lease obligation	\$ 288,832		434,546
	=====		=====

NOTE G - PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment consist of the following as of December 31:

	<u>2021</u>		<u>2020</u>
Land	\$ 1,433,822	\$	1,487,507
Construction in progress	28,523		3,313,018
Buildings	7,380,459		4,235,206
Furniture and equipment	605,893		590,182
Vehicles	<u>362,991</u>		<u>329,755</u>
	9,811,688		9,955,668
Less accumulated depreciation	<u>(1,796,272)</u>		<u>(1,542,313)</u>
Property, plant, and equipment, net	\$ 8,015,416	\$	8,413,355
	=====		=====

NOTE H - DEFERRED SUPPORT

In 2021 and 2020, ZOE received conditional contributions for one of its programs. The donor provides approval on the use of these funds on a monthly basis.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE I - NET ASSETS WITH DONOR RESTRICTIONS

Eight percent and seven percent of total net assets at December 31, 2021 and 2020, respectively, have donor restrictions that limit expenditures to a children's home in Los Angeles, missionary support, mercy networks, and short-term mission teams.

NOTE J - NON-CASH CONTRIBUTIONS

ZOE receives professional services, clothing, medical supplies, equipment and other materials for use in its programs and fundraising efforts. Such non-cash contributions are recorded at their estimated fair market value at the date of donation.

ZOE is also the recipient of many hours of donated services from its supporters participating in short-term missions trips or performing general and administrative activities. The value of their contributed hours is not included in revenues since their services do not meet the Financial Accounting Standards Board criteria for recognition in FASB *Accounting Standards Codification 958, Not-for-Profit Entities*. However Topic 958 does require the recognition of specialized skills that would need to be purchased if they were not donated.

NOTE K - COUNTY CONTRACTS

On September 24, 2019, the County of Los Angeles contracted with ZOE to provide Commercial Sexual Exploitation (CSE) advocacy services for one year, unless extended by the Director of the Department of Children and Family Services. The current contract has been extended through June 30, 2023 and is expected to renew year after year as long as the program receives its funding. ZOE provides children and families with advocacy services in crisis intervention, ongoing assessment, and case management. ZOE conducts workshops on intervention, education, job readiness and transition, training and empowerment activities.

On October 1, 2021, the County of Los Angeles Department of Children and Family Services (DCFS) contracted with ZOE for their ZHY Short-Term Residential Therapeutic Program and the contract was recently extended through December 31, 2023. Per the contract, DCFS pays foster care financial assistance on behalf of each youth placed at ZHY in accordance with applicable state and federal regulations.

NOTE L - GOVERNMENT GRANT - PAYCHECK PROTECTION PROGRAM (PPP) LOAN

ZOE elected to account for the 2020 PPP loan as a government grant in accordance with FASB ASC 958-605, *Not-for-Profit Entities-Revenue Recognition*. As such, ZOE recorded the cash inflow from the PPP loan as a refundable advance. Under the terms of the PPP, certain amounts are forgiven if they are used for qualifying expenses, such as payroll, health care benefits and utilities. ZOE used the entire amount for qualifying expenses and obtained formal forgiveness prior to year end.

ZOE International, ZOE Foundation Australia and ZOE Japan

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE M - RELATED PARTY TRANSACTIONS

ZOE leases space on a month-to-month basis from The Tani Family Trust for storage in Santa Clarita, California. ZOE's president and the wife of ZOE's vice president are both beneficiaries of the Trust, and the latter is the trustee. ZOE incurred storage rent expense of \$4,800 in 2021 and 2020.

NOTE N - CUMULATIVE CURRENCY TRANSLATION ADJUSTMENT

The cumulative foreign currency translation adjustment included in net assets without donor restrictions is shown as of December 31:

	<u>2021</u>	<u>2020</u>
Beginning cumulative translation		
adjustment gains (losses)	\$ 693,412	\$ 735,878
Foreign currency translation gain (loss)	<u>(668,419)</u>	<u>(42,466)</u>
Ending cumulative translation		
adjustment gains (losses)	<u>\$ 24,993</u>	<u>\$ 693,412</u>

NOTE O - CORONAVIRUS PANDEMIC

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S. have declared a state of emergency. It is anticipated that these impacts will continue for some time. Future potential impacts may include decline in support or the number of fundraising volunteers and short-term missions. Changes to the operating environment may increase operating costs. The future effects of these issues are unknown.

SUPPLEMENTARY INFORMATION

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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

To the Board of Directors  
ZOE International

I have audited the consolidated financial statements of ZOE International, ZOE Foundation Australia and ZOE Japan, as of and for the years ended December 31, 2021 and 2020, and my report thereon dated July 7, 2022, which expressed an unmodified opinion on those financial statements, appears on page 3. My audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



Manhattan Beach, California  
July 7, 2022

ZOE International, ZOE Foundation Australia and ZOE Japan  
SCHEDULE I: CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
Year Ended December 31, 2021

	<u>ZOE</u>	<u>ZOE</u>	<u>ZOE</u>	<u>CONSOLIDATED</u>
	<u>International</u>	<u>Foundation Australia</u>	<u>Japan</u>	
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash	\$ 5,190,057	\$ 151,346	\$ 63,655	\$ 5,405,058
Accounts receivable	165,885	-	-	165,885
Prepaid expenses	29,730	-	-	29,730
Intercompany	(86,725)	(3,275)	90,000	-
<b>Total current assets</b>	<b>5,298,947</b>	<b>148,071</b>	<b>153,655</b>	<b>5,600,673</b>
Fixed and term deposit accounts	8,112	-	-	8,112
Investments	1,053	-	-	1,053
Right-of-use asset	266,108	-	-	266,108
Property, plant, and equipment, net of accumulated depreciation	8,015,416	-	-	8,015,416
Deposit	19,351	-	-	19,351
<b>Total assets</b>	<b>\$ 13,608,987</b>	<b>\$ 148,071</b>	<b>\$ 153,655</b>	<b>\$ 13,910,713</b>
<b>LIABILITIES AND NET ASSETS</b>				
<b>Current liabilities:</b>				
Accounts payable and accrued expenses	\$ 255,249	\$ 24,216	\$ 1,512	\$ 280,977
Current operating lease obligation	147,064	-	-	147,064
Deferred support	12,453	-	-	12,453
<b>Total current liabilities</b>	<b>414,766</b>	<b>24,216</b>	<b>1,512</b>	<b>440,494</b>
Operating lease obligation	141,768	-	-	141,768
<b>Total liabilities</b>	<b>556,534</b>	<b>24,216</b>	<b>1,512</b>	<b>582,262</b>
<b>Net assets:</b>				
Net assets without donor restrictions	11,985,498	123,855	152,143	12,261,496
<b>Net assets with donor restrictions:</b>				
Missionary support	621,034	-	-	621,034
Children's homes - Los Angeles	150,000	-	-	150,000
Building fund - Los Angeles	251,705	-	-	251,705
Other	44,216	-	-	44,216
<b>Total net assets with donor     restrictions</b>	<b>1,066,955</b>	<b>-</b>	<b>-</b>	<b>1,066,955</b>
<b>Total net assets</b>	<b>13,052,453</b>	<b>123,855</b>	<b>152,143</b>	<b>13,328,451</b>
<b>Total liabilities and net assets</b>	<b>\$ 13,608,987</b>	<b>\$ 148,071</b>	<b>\$ 153,655</b>	<b>\$ 13,910,713</b>



ZOE International, ZOE Foundation Australia and ZOE Japan  
SCHEDULE II: CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
Year Ended December 31, 2020

	ZOE International	ZOE Foundation Australia	ZOE Japan	CONSOLIDATED
ASSETS				
Current assets:				
Cash	\$ 3,764,497	\$ 114,953	\$ 22,372	\$ 3,901,822
Accounts receivable	136,884	-	-	136,884
Prepaid expenses	31,040	-	-	31,040
Employee advances	-	-	-	-
Total current assets	<u>3,932,421</u>	<u>114,953</u>	<u>22,372</u>	<u>4,069,746</u>
Fixed and term deposit accounts	8,842	-	-	8,842
Investments	1,006	-	-	1,006
Right-of-use asset	404,946	-	-	404,946
Property, plant, and equipment, net of accumulated depreciation	8,413,355	-	-	8,413,355
Deposit	57,131	-	-	57,131
Total assets	<u>\$ 12,817,701</u>	<u>\$ 114,953</u>	<u>\$ 22,372</u>	<u>\$ 12,955,026</u>
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable and accrued expenses	\$ 249,822	\$ 23,863	\$ 699	\$ 274,384
Current operating lease obligation	145,714	-	-	145,714
Deferred support	8,219	-	-	8,219
Total current liabilities	<u>403,755</u>	<u>23,863</u>	<u>699</u>	<u>428,317</u>
Operating lease obligation	288,832	-	-	288,832
Total liabilities	<u>692,587</u>	<u>23,863</u>	<u>699</u>	<u>717,149</u>
Net assets:				
Net assets without donor restrictions	11,291,660	91,090	21,673	11,404,423
Net assets with donor restrictions:				-
Missionary support	413,887	-	-	413,887
Children's homes - Los Angeles	393,778	-	-	393,778
Other	25,789	-	-	25,789
Total net assets with donor restrictions	<u>833,454</u>	<u>-</u>	<u>-</u>	<u>833,454</u>
Total net assets	<u>12,125,114</u>	<u>91,090</u>	<u>21,673</u>	<u>12,237,877</u>
Total liabilities and net assets	<u>\$ 12,817,701</u>	<u>\$ 114,953</u>	<u>\$ 22,372</u>	<u>\$ 12,955,026</u>

ZOE International, ZOE Foundation Australia and ZOE Japan

SCHEDULE III: CONSOLIDATING STATEMENT OF ACTIVITIES

Year Ended December 31, 2021

	ZOE Inter- national	ZOE Foundation Australia	ZOE Japan	Elimina- tion	CONSOLIDATED
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>					
Unrestricted support and revenue					
Contributions	\$ 3,644,072	\$ 165,820	\$277,662	\$ (145,589)	\$ 3,941,965
Contract revenue	880,535	1,070	-	-	881,605
Grants	5,000	-	-	-	5,000
Other	521	79	34	-	634
Total unrestricted support and revenue before release of restricted net assets	4,530,128	166,969	277,696	(145,589)	4,829,204
Net assets released from donor restrictions					
Restrictions satisfied by payments	2,234,807	188,562	-	-	2,423,369
Total unrestricted support and revenue	6,764,935	355,531	277,696	(145,589)	7,252,573
Expenses					
Program services	4,208,651	277,966	87,812	(145,589)	4,428,840
Supporting services					
Fundraising	574,735	3,246	6,417	-	584,398
Management and general	634,563	34,962	44,318	-	713,843
Total expenses	5,417,949	316,174	138,547	(145,589)	5,727,081
Increase in net assets without donor restrictions	1,346,986	39,357	139,149	-	1,525,492
<b>NET ASSETS WITH DONOR RESTRICTIONS</b>					
Contributions	2,189,119	188,562	-	-	2,377,681
Grants	279,189	-	-	-	279,189
Net assets released from donor restrictions					
Restrictions satisfied by payments	(2,234,807)	(188,562)	-	-	(2,423,369)
Increase in net assets with donor restrictions	233,501	-	-	-	233,501
Increase (decrease) in net assets	1,580,487	39,357	139,149	-	1,758,993
Net assets, beginning of year	12,125,114	91,090	21,673	-	12,237,877
Foreign currency translation gain (loss)	(653,148)	(6,592)	(8,679)	-	(668,419)
Net assets, end of year	\$13,052,453	\$ 123,855	\$152,143	\$ -	\$13,328,451

ZOE International, ZOE Foundation Australia and ZOE Japan

SCHEDULE IV: CONSOLIDATING STATEMENT OF ACTIVITIES

Year Ended December 31, 2020

	ZOE Internation- al	ZOE Foundation Australia	ZOE Japan	Elimina- tion	CONSOLIDATED
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>					
Unrestricted support and revenue					
Contributions	\$ 2,394,306	\$ 120,106	\$ 78,541	\$ (143,668)	\$ 2,449,285
Contract and merchandise revenue	810,746	18,443	-	-	829,189
Government grant	321,000	-	-	-	321,000
Other	6,624	314	-	-	6,938
Total unrestricted support and revenue before release of restricted net assets	3,532,676	138,863	78,541	(143,668)	3,606,412
Net assets released from donor restrictions					
Restrictions satisfied by payments	3,651,804	195,992	-	-	3,847,796
Total unrestricted support and revenue	7,184,480	334,855	78,541	(143,668)	7,454,208
Expenses					
Program services	3,271,771	297,757	56,259	(143,668)	3,482,119
Supporting services					
Fundraising	259,222	1,498	-	-	260,720
Management and general	516,442	18,038	27,994	-	562,474
Total expenses	4,047,435	317,293	84,253	(143,668)	4,305,313
Increase in net assets without donor restrictions	3,137,045	17,562	(5,712)	-	3,148,895
<b>NET ASSETS WITH DONOR RESTRICTIONS</b>					
Contributions	2,307,779	195,992	-	-	2,503,771
Net assets released from donor restrictions					
Restrictions satisfied by payments	(3,651,804)	(195,992)	-	-	(3,847,796)
Increase in net assets with donor restrictions	(1,344,025)	-	-	-	(1,344,025)
Increase (decrease) in net assets	1,793,020	17,562	(5,712)	-	1,804,870
Net assets, beginning of year	10,384,100	65,183	26,190	-	10,475,473
Foreign currency translation gain (loss)	(52,006)	8,345	1,195	-	(42,466)
Net assets, end of year	\$12,125,114	\$ 91,090	\$ 21,673	\$ -	\$12,237,877

ZOE International, ZOE Foundation Australia and ZOE Japan  
SCHEDULE V: CONSOLIDATED STATEMENT OF CHANGES IN FIXED ASSETS  
Year Ended December 31, 2021

	Balance December 31, 2020	Additions	Retirements & Reclass	Translation Gain/(Loss)	Balance December 31, 2021
<b>THAILAND</b>					
Land	\$ 895,124	\$ 40,338	\$ -	\$ (94,023)	\$ 841,439
Construction in progress	74,148	87,857	(130,697)	(7,785)	23,523
Buildings	4,235,206	94,043	-	(444,697)	3,884,552
Furniture and equipment	495,550	3,185	-	(12,535)	486,200
Vehicles	329,755	6,729	-	(13,478)	323,006
<b>Total Thailand</b>	<b>6,029,783</b>	<b>232,152</b>	<b>(130,697)</b>	<b>(572,518)</b>	<b>5,558,720</b>
<b>UNITED STATES</b>					
Land	592,383	-	-	-	592,383
Construction in progress	3,238,870	5,000	(3,238,870)	-	5,000
Buildings	-	3,495,907	-	-	3,495,907
Furniture and equipment	94,632	25,061	-	-	119,693
Vehicles	-	39,985	-	-	39,985
<b>Total United States</b>	<b>3,925,885</b>	<b>3,565,953</b>	<b>(3,238,870)</b>	<b>-</b>	<b>4,252,968</b>
	<b>\$ 9,955,668</b>	<b>\$ 3,798,105</b>	<b>\$ (3,369,567)</b>	<b>\$ (572,518)</b>	<b>\$ 9,811,688</b>
<b>ACCUMULATED DEPRECIATION</b>					
Buildings	\$ 746,685	\$ 194,654	\$ -	\$ -	\$ 941,339
Furniture and equipment	514,408	34,789	-	-	549,197
Vehicles	281,220	24,516	-	-	305,736
	<b>\$ 1,542,313</b>	<b>\$ 253,959</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,796,272</b>

ZOE International, ZOE Foundation Australia and ZOE Japan  
SCHEDULE VI: CONSOLIDATED STATEMENT OF CHANGES IN FIXED ASSETS  
Year Ended December 31, 2020

	Balance December 31, 2019	Additions	Retirements & Reclass	Translation Gain/(Loss)	Balance December 31, 2020
<b>THAILAND</b>					
Land	\$ 902,648	\$ -	\$ -	\$ (7,524)	\$ 895,124
Construction in progress	25,611	292,577	(243,827)	(213)	74,148
Buildings	4,021,933	246,784	-	(33,511)	4,235,206
Furniture and equipment	473,658	23,715	-	(1,823)	495,550
Vehicles	330,833	-	-	(1,078)	329,755
<b>Total Thailand</b>	<b>5,754,683</b>	<b>563,076</b>	<b>(243,827)</b>	<b>(44,149)</b>	<b>6,029,783</b>
<b>UNITED STATES</b>					
Land	592,383	-	-	-	592,383
Construction in progress	1,236,052	2,002,818	-	-	3,238,870
Furniture and equipment	74,740	19,892	-	-	94,632
<b>Total United States</b>	<b>1,903,175</b>	<b>2,022,710</b>	<b>-</b>	<b>-</b>	<b>3,925,885</b>
	<b>\$ 7,657,858</b>	<b>\$ 2,585,786</b>	<b>\$ (243,827)</b>	<b>\$ (44,149)</b>	<b>\$ 9,955,668</b>
<b>ACCUMULATED DEPRECIATION</b>					
Buildings	\$ 622,400	\$ 124,285	\$ -	\$ -	\$ 746,685
Furniture and equipment	456,862	57,546	-	-	514,408
Vehicles	258,325	22,895	-	-	281,220
	<b>\$ 1,337,587</b>	<b>\$ 204,726</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,542,313</b>