

**Fondation St. Luc – Haiti**

**Financial Statements**

**For the years ended December 31, 2019 and 2018**

# **Fondation St. Luc – Haïti**

## **Financial Statements**

**For the years ended December 31, 2019 and 2018**

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## **Message from the Executive Director**

To the friends and supporters of Fondation St Luc,

I would invite you right away to combine your review of this audit with the review of our expansive annual report for 2019, which you will find at [www.stlukehaiti.org](http://www.stlukehaiti.org).

I will not take the time to repeat here the elements of the report, but rather to offer a different kind of reflection.

Since I arrived in Haiti in 1987, we have been very accustomed to very adversarial circumstances and challenges. The dictator had recently been forced out of the country, and in the first three years of setting up out work in Haiti, there were innumerable coups d'état.

I remember being on the streets for many urgent and vital matters, and coming across many military blockades, and more than once having to stand against the nearest wall, arms in the air, as soldiers fired questions at me.

The attempts at democracy, and elections, over the ensuing years (into the early 1990's) were also violent and bloody, especially at voting stations.

The years of the Aristide presidency, when a democratic election was finally achieved (1996 to 2004) were enormously troubled years.

The chaos, crime, kidnapping and anarchy from 2004 to 2007 still make me shiver when I think of all we lived through.

2007 to 2010 was a bit of a renaissance. Things improved, diaspora were returning to Haiti, which seemed to be really and finally "open for business."

Then we were hit by the earthquake.

Since the atomic bombings of Hiroshima and Nagasaki, there had not been, on the face of the planet, the dimensions of destruction and death that occurred within 35 seconds, with untold more suffering in the aftermath.

This was followed, 10 months later, by a cholera epidemic.

2011 was the beginning of very slow and painful recuperation, under the delusion that the world intended to "Build back better", which, sadly, has remained just a slogan.

By 2019, absolute poverty was still home base for most of the population, which had grown from 6 million (in 1987 when I arrived) to 12 million in 2019.

The value Gourde had fallen from 62/US\$ to 72/US\$ during 2019 (and is in the 90's/US\$ at the writing), as cost of living mounted.

The growing stress and unrest of the population was manipulated by different parties for other interests, and starting in July 2019 we have seen a return to social, economic and political chaos that has been difficult and dangerous for everyone, which has escalated to the present day, and keeps Haiti on the edge of disaster.

One simple consequence, for example, of blocked streets and rampant violence, is the delay in completing this audit report.

Forbes magazine frequently lists Haiti as one of the most difficult countries in which to conduct business. This is significant. Even Churches and Humanitarian Organizations need a solid business platform in order to function.

It is difficult to achieve things in Haiti.  
Difficult, but no impossible.

I would ask the reader to consider why it is essential to keep investing in the work of Fondation St Luc. I would further ask the reader to consider why it is essential to keep investing in Haiti, and in our world.

Most people, in all countries, are in many cases powerless over the machinations of powers and interest groups that far surpass their own influence.

Fraudsters and bandits make up only a small percentage of the populations, but have the funds and the ammunition to mobilize, leaving the impression that whole peoples cannot be ruled, or prefer poverty, or are programmed for violence.

32 years in Haiti, and 67 years on earth, have shown me the truth.

Most people by far are good and honorable, in Haiti and around the world. They are willing to work hard, sacrifice for their families and friends. They show amazing resilience because of the love of life, and family, and in Haiti (thankfully still), of God.

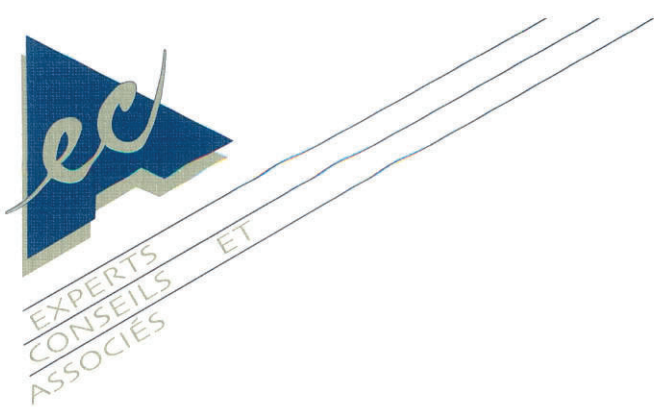
Every person born has the obligation to face the worst of what can happen, with the best of what we are.

We have to stay the course, no matter how difficult, and work hard to invest in healthcare, education, ecology, agriculture, job creation, values, culture, and relief work, and peace.

To do so is to invest in civilization, and for those who live in faith, to invest in the City of God.

Thank you for your support. You will see from the annual report that we engage your funds in a huge work. We have the courage to continue, with your ongoing help.

Fr Richard Frechette CP DO  
President  
Fondation St Luc  
October 20, 2020



## **Independent Auditors' Report On the Financial Statements**

To the Directors of  
Fondation St. Luc – Haiti

We have audited the accompanying financial statements of Fondation St. Luc – Haiti, which comprise the statements of financial position as of December 31, 2019 and 2018, the related statements of activities, functional expense, and cash flows for the years then ended, and the related notes to the financial statements.

### **Management's responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain 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 Fondation St. Luc – Haiti'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 of the effectiveness of Fondation St. Luc Haiti'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 opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Fondation St. Luc – Haiti as of December 31 2019 and 2018, 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.

*Experts Conseils et Associés*  
Chartered Accountants  
Pétion-Ville, October 20, 2020



**Fondation St. Luc – Haiti****Statements of Financial Position****As of December 31, 2019 and 2018****(Expressed in US Dollars)**

	<u>Notes</u>	<u>December 31, 2019</u>	<u>December 31, 2018</u>
<b>Assets</b>			
Current assets			
Bank - Local Currency		\$ 494,709	\$ 434,118
Bank - US Dollars accounts in Haiti		358,998	-
Account Receivable		415,854	466,047
Certificat of deposit BNC-Sogebank		-	274,466
<b>Total Current Assets</b>		<b><u>\$ 1,269,561</u></b>	<b><u>\$ 1,174,631</u></b>
<b>Fixed Assets</b>			
	(Note 6)		
Buildings		19,083,288	19,010,129
Land		4,167,437	4,167,437
Machinery & Equipements		2,666,309	2,590,869
Véhicules		1,577,953	1,371,598
Construction in Progress		2,698,971	1,889,824
<b>Total Fixed Assets</b>		<b><u>30,193,958</u></b>	<b><u>29,029,857</u></b>
Accumulated Depreciation			
Buildings		(5,355,376)	(4,534,611)
Machinery & Equipements		(2,283,553)	(2,188,785)
Vehicles		(1,426,644)	(1,297,177)
		<u>(9,065,573)</u>	<u>(8,020,573)</u>
<b>Net Fixed Assets</b>		<b><u>21,128,385</u></b>	<b><u>21,009,284</u></b>
<b>Total Assets</b>		<b><u>\$ 22,397,946</u></b>	<b><u>\$ 22,183,915</u></b>
<b>Liabilities and Net Assets</b>			
Accounts Payable	(Note 7)	<u>577,037</u>	<u>512,743</u>
<b>Total Liabilities</b>		<b><u>\$ 577,037</u></b>	<b><u>\$ 512,743</u></b>
<b>Net Assets</b>			
Unrestricted		21,820,909	21,506,172
Temporarily Restricted		-	165,000
<b>Total net assets</b>		<b><u>21,820,909</u></b>	<b><u>21,671,172</u></b>
<b>Total Liabilities and Net Assets</b>		<b><u>\$ 22,397,946</u></b>	<b><u>\$ 22,183,915</u></b>

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



**Fondation St. Luc – Haiti**  
**Statements of Activities**  
**For the years ended December 2019, 2018**  
**(Expressed in US Dollars)**

	Notes	December 31, 2019		December 31, 2018		
		Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted	Total
<b>Revenues</b>						
Grants revenues from donors	(Note 3)	\$ 1,974,778	\$ 6,105,116	\$ 8,079,894	\$ 2,426,568	\$ 9,389,437
Other income	(Note 4)	3,400,267	-	3,400,267	-	2,852,547
		5,375,045	6,105,116	11,480,161	2,426,568	12,241,984
Net assets released from restrictions		6,270,116	(6,270,116)	-	(3,433,206)	-
<b>Total Revenues</b>		11,645,161	(165,000)	11,480,161	(1,006,638)	12,241,984
<b>Expenses</b>						
Program Services:						
Agriculture		496,346	-	496,346	-	583,997
Community Development		1,068,836	-	1,068,836	-	1,023,555
Disaster Relief		368,736	-	368,736	-	395,434
Education		4,095,337	-	4,095,337	-	3,997,144
Healthcare		2,583,568	-	2,583,568	-	2,939,667
NPFS Program		91,967	-	91,967	-	144,674
Renewable Energy		808,372	-	808,372	-	875,643
Social Business		727,282	-	727,282	-	986,554
Total Program Services		10,240,444	-	10,240,444	-	10,946,668
Supporting Services:						
Depreciation		1,045,000	-	1,045,000	-	1,696,156
Total Supporting Services		1,045,000	-	1,045,000	-	1,696,156
<b>Total expenses</b>		11,285,444	-	11,285,444	-	12,642,824
<b>Changes in Net Assets</b>		359,717	(165,000)	194,717	605,798	(400,840)
Net Assets, at beginning of the year		21,506,172	165,000	21,671,172	20,972,381	22,144,019
Gain or Loss on exchange		(44,980)	-	(44,980)	(72,007)	-
<b>Net Assets, at the end of the year</b>		<b>\$ 21,820,909</b>	<b>\$ -</b>	<b>\$ 21,820,909</b>	<b>\$ 21,506,172</b>	<b>\$ 21,671,172</b>

The accompanying notes are integral part of the financial Statements

**Fondation St. Luc – Haiti**  
**Statements of Functional Expenses**  
**For the years ended December 2019, 2018**  
(Expressed in US Dollars)

	For the year ended December 31, 2019			For the year ended December 31, 2018		
	PROGRAM SERVICES	SUPPORTING SERVICES	TOTAL	PROGRAM SERVICES	SUPPORTING SERVICES	TOTAL
Salaries & Benefits	\$ 4,197,678	\$ -	\$ 4,197,678	\$ 4,848,224	\$ -	\$ 4,848,224
Administration	890,279	-	890,279	519,376	-	519,376
Clothing	4,900	-	4,900	5,748	-	5,748
Force Lakay (Community Support)	655,123	-	655,123	842,860	-	842,860
Utility & Services	550,043	-	550,043	929,920	-	929,920
Garden, Security, Plant Management	158,549	-	158,549	282,829	-	282,829
Agriculture, Farms, Ecology	204,668	-	204,668	298,739	-	298,739
Education	845,555	-	845,555	900,808	-	900,808
Cost of Production	678,695	-	678,695	276,761	-	276,761
Vehicle and Transportation Expenses	424,379	-	424,379	495,607	-	495,607
Healthcare & Prevention of Illness	912,451	-	912,451	927,082	-	927,082
Housing & Building Materials	237,734	-	237,734	-	-	-
Cleaning, Maintenance & Repairs	117,407	-	117,407	332,814	-	332,814
Food	328,703	-	328,703	233,436	-	233,436
Furnitures, Furnishings, Office & Other Equipment	5,096	-	5,096	36,918	-	36,918
Shipments and Customs	27,399	-	27,399	-	-	-
Fundraising & Promotion	1,785	-	1,785	15,546	-	15,546
Depreciation expenses	-	1,045,000	1,045,000	-	1,696,156	1,696,156
	<b>\$ 10,240,444</b>	<b>\$ 1,045,000</b>	<b>\$ 11,285,444</b>	<b>\$ 10,946,668</b>	<b>\$ 1,696,156</b>	<b>\$ 12,642,824</b>

The accompanying notes are an integral part of these financial statements

## Fondation St. Luc – Haiti

### Statements of Cash Flows

(Expressed in US Dollars)

	<u>For the year ended December 31, 2019</u>	<u>For the year ended December 31, 2018</u>
<b>OPERATING ACTIVITIES</b>		
Excess of (loss) income over expenses	\$ 194,717	\$ (400,840)
Items not affecting cash:		
Depreciation	1,045,000	1,696,156
Gain or (Loss) on Exchange	(44,980)	(72,007)
Change in Operating Assets and Liabilities:		
Accounts Receivable	50,193	(74,480)
Certificat of deposit BNC-Sogebank	274,466	10,450
Liabilities	<u>64,294</u>	<u>353,492</u>
Net cash provided by operating activities	<u>1,583,690</u>	<u>1,512,771</u>
<b>INVESTING ACTIVITIES</b>		
Additions to fixed assets	<u>(1,164,101)</u>	<u>(2,187,555)</u>
Increase (Decrease) in cash during the year	419,589	(674,784)
Cash, beginning of year	<u>434,118</u>	<u>1,108,902</u>
<b>Cash, end of year</b>	<b><u>\$ 853,707</u></b>	<b><u>\$ 434,118</u></b>

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

## **Fondation St. Luc – Haiti**

### **Notes to the Financial Statements**

**For the years ended December 31, 2019 and 2018**

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#### **1. History and operations of the Institution**

##### **Origin**

The St. Luc Foundation started informally in 1990 when the National Director of Nos Petits Freres et Soeurs, Haiti began doing medical work in the poor areas of Port au Prince. A number of unemployed graduates of the NPFS system started to help him, since they were eager for work in a country of massive unemployment. They learned important skills fast, and it was soon evident that many of them could organize large scale an important humanitarian venture.

This led to the formation of schools, clinics, food programs, sports programs, higher education abroad, and social justice engagements including burial of the destitute dead of the city morgue.

The program was named after St. Luke, who was a physician and evangelist, since the work of the foundation was gospel based, educational, humanitarian and geared toward good health and fullness of life. For many years, the Foundation was part of the work of the Archdiocese of Port au Prince, with the blessing and support of the late Archbishop Joseph Serge Miot. In 2010, the process was started to legalize the St. Luc Fondation as a private foundation, and was completed in 2011.

##### **Evolution**

The Board of Directors consists of the International Director, the National director, and two Committee Members. Various committees assist the National Director in the formation of programs, their ongoing improvement and oversight. As of this writing the committees oversee 32 community based schools comprising over 12,000 students, a large cholera center, multiple healthcare clinics involving general medical care, prenatal care, and the formation on the St. Luc Family Hospital and St Mary Field Hospital. The committees also manage a production and training center known as Francisville, which brings in some revenue and is paving the way to help support St Luke programs through social businesses. All St Luke programs are geared toward education, development, and sustainability. The committees are also responsible for managing relief work and charitable activities in the community.

##### **Finances**

The Catholic Religious Congregation of priests and brothers known as The Passionists was the first and main source of funding of the St. Luc programs. The Passionists were eager to invest in programs for disadvantaged youth, conceived and managed by local

leaders. In recognition of this generous help, the St. Luc Fondation incorporated the sign (logo) of the Passionists into the logo of St. Luke.

The Passionists have an account in the USA, at City National Bank, designated for work in Latin America and the Caribbean. Virtually all of these funds are available to the mission of St. Luc in Haiti. The directors in Haiti have no access to this account. It belongs to the Passionists and is audited as part of the Passionist audit. However, the St. Luc Fondation has online viewing access to the account activities, which is important for budget planning, and requests transfers to Haiti as necessary. Not all the funds in that account are from Passionists or Passionist benefactors. Some U.S. donors give to the St. Luc programs through the Passionists 501c3. When the funds are transferred to Haiti, they enter the responsibility of the St. Luc managers. Funds received and used in Haiti are subject to the St. Luc accounting procedures and auditing process.

However, the official bank account for St Luke Foundation in the USA is located in Bank of America. St Luke Foundations in the USA is its own registered 501c3.

Funders of Nos Petits Freres et Soeurs programs also became interested in funding some St. Luc projects for three reasons:

1. St. Luc is a new generation of NPFS involvement, basing leadership on graduates of NPFS.
2. St. Luc activity increases the profile of activity of the funders in Haiti, to fundraising advantage in many cases.
3. The programs are creative and represent a wider variety of ways to help.

In Haiti, the accounts for St. Luc Fondation are located in Capital Bank. Various accounts include General Operations (US \$), General Operations (Haitian Gourdes), and accounts for particular programs. All accounts, whether in Haiti or abroad, are managed on Quickbooks Online.

Fundraising and processing of donations in the USA is largely by word of mouth, internet publicity, applications for grants, and direct solicitation of donations. All of this work, as well as the related acknowledgements and administration, are done by volunteers. The few costs involved are offset by a private donor. In 2015, we started investing more in fundraising, but even with this investments 97% of funds collected in the USA are transferred to the mission in Haiti, with only 5% retained in USA for fundraising and overhead.

## **2. Summary of significant accounting policies**

### **Basis of presentation**

The financial statements are expressed in US dollars and have been prepared in accordance with accounting principles generally accepted in the United States of America.

## Donations

Donations received in cash or kinds are recorded in the period in which they are received. Donations in kind are recorded at the declared value by the donor or at an estimated fair market value determined by the management of the Institution.

## Expenses

Expenses are recorded when incurred.

## Fixed assets and depreciation

Fixed assets are recorded at cost or at the value declared by the donor.

Expenditures for repairs and maintenance are charged to operations as incurred.

Depreciation is provided for using the straight-line method at rates based on the estimated useful lives of the depreciable assets, principally as follows:

Buildings	20 years
Vehicles	4 years
Furniture and office equipment	5 years

## Construction in progress

Building renovation costs are capitalized and are recorded as construction in progress. When these improvements are completed, the related costs are transferred to the building account and depreciated.

### 3. Grant Revenues from Donors

Grant Revenues from donors for the year ended December 31, 2019 are classified as follows:

#### 1. Temporarily Restricted Income from NPH Offices

NPFS New Zealand	\$ 388
NPH Austria	5,715
NPH Deutschland	783,070
NPH Espana	10,000
NPH Italia	558,283
NPH Nederland (Wereldouders)	20,000
NPH Die Schweiz	<u>490</u>
<b>Total Temporarily Restricted Income from NPH Offices</b>	<b><u>\$ 1,377,946</u></b>

## 2. Temporarily Restricted Income from Other Organizations

Income from Andrea Bocelli Foundation	\$ 2,930,241
Income from Artist for Peace & Justice (USA & Canada)	698,489
Income from St-Luke Foundation – USA	<u>1,098,440</u> <sup>(1)</sup>
<b>Total Temporarily Restricted Income from Other Organizations</b>	<b><u>\$ 4,727,170</u></b>
<b>Total Temporarily Restricted Income</b>	<b><u>\$ 6,105,116</u></b>

(1) Those funds are received directly by St-Luke Foundation – USA from various donors: Bedolfe Foundation, FOTO Canada for St-Luke Foundation Canada, Krafft Family Trust, Our Little Brothers & Sisters, Grants & Foundations, Passionist Community, Sisters of the Humility of Mary, and St-Alphonsus Foundation, and are transferred to St-Luc Haiti for the related programs.

## 4. Other Income

Other Income includes revenues from various donations, and from the following activities:

. Direct Relief International	65,000
. Contributions Education Programs	404,095
. Contributions Francisville Production	823,194
. Contributions from Farm	106,830
. Contributions Healthcare Programs	675,249
. Contributions Villa Francesca	110,937
. Contributions Water Programs	18,345
. Income START Solar Energy	369,634
. Income from General Sources	545,294
. Income from Various Organizations	222,870
. Various Other Donations	<u>58,919</u>
<b>Total Other Income</b>	<b><u>\$ 3,400,267</u></b>

## 5. Expenses

The St. Luc team, made up in large part by graduates of the NPFS program, necessarily works in the most challenging areas of Haitian society. The goal is, as a matter of justice, to bring to the poorest people the benefits of education and healthcare, in the context of Christian faith. A secondary goal is to provide jobs which humanize and dignify the many disgraceful conditions in which people live. Consequently, the St. Luc team works in constant exposure to danger, and conditions which challenge attempts to organize and create infrastructure. Hurricanes and other natural disasters, the reality of armed gangs and kidnappers, the unruliness of desperate masses of people which little or no formation and the pressures of behavior geared toward survival are the constant background of the St. Luc workers. These represent a formidable challenge to any success.

In spite of the challenges, the St. Luc team creates work, and the work generates life giving activity (which also spurs on hope) in the following programs:

### **Agricultural Programs**

Investment in food security (agriculture, apiculture, psiculture, livestock) as a food sources for St Luc and NPFS Programs

Investment in ecology (reviving the failing bee populations, composting, crop rotation, restoring fallow farmland)

### **Community Development**

Construction of housing

Investment in cemeteries, and burial of destitute dead

Programs with youth for peace

Sessions with community leaders for conflict management

Food Distributions

Investment in Sports Activities for youth

Workforces for cleaning neighborhoods and draining canals

### **Disaster Relief**

Tri-phased response to specific disasters- earthquakes, hurricanes, floods, fires, floods.

Phase of immediate assistance for relief of actual hardship and suffering (water and dry clothes in flood, medical assistance in earthquake, etc.).

Phase of regeneration (replanting of farmlands, restocking lost cattle, restoring a lost livelihood like fishing, etc.)

Phase of reconstruction (repairing destroyed homes and schools, rebuilding roads, etc.)

### **Education**

Operation and supervision of St Luc School system, 35 schools of all levels except University.

Ongoing formation for our own staffs

Travel opportunities for enrichment and learning

### **Healthcare**

Operation and oversight of an adult hospital, a field hospital, and a number of clinics

Tailored Surgical and medical interventions for people living in the areas of Port-au-Prince with densest poverty



Routine Clinics in community based settings

Community Health Education

Prenatal care, Cervical Cancer screening, Malnutrition clinics at two sites

Transformation of St Luc medical systems to internet based learning and electronic medical records

Hosting and promoting seminars in continuing medical education

### **Support to Nos Petits Frères et Soeurs**

NPFS is the mother of St Luc Foundation. Adults who were raised as children at NPFS are the founders and leaders of NPFS.

St Luc Foundation supports NPFS programs in this way:

Free warehouse space for central pharmacy and depot

Hosting of the central grid and central laundry

Management of the morgue, and the burials of children who die at St Damien hospital

Investment in infrastructural improvements and repairs St Damien Hospital

Management of tilapia program at St Damien benefiting NPFS Program de Vie

Managing the central ambulance service for NPFS and St Luc healthcare systems

### **Renewable Energy**

Construction and management of the central grid, the hybrid generator-solar system that supplies NPFS and St Luc programs in Tabarre

Operation of a solar energy company called START that helps schools and other small scale projects become solar powered.

Ongoing training in the field of solar energy to interested parties in Haiti

### **Social Businesses**

Small businesses to provide for needs of other organizations involved in helping professions.

Small businesses to create work opportunities especially for the disabled

Helping in limited numbers of cases marginalized people start a small business for family sustenance.

Francisville Center: Large volume production of bread, pasta, cement block, cobblestone

Industrial sewing, Solar energy center, commercial laundry service, vehicle repair shop, mechanic and welding shop, farms.

## Fondation St. Luc – Haiti

### Notes to Financial Statements

For the years ended December 31, 2019 and 2018

#### 6. Fixed Assets

	<b>COST</b>			<b>December 31, 2019</b>
	<b>December 31, 2018</b>	<b>Acquisitions</b>	<b>Transfers</b>	
Buildings	\$ 19,010,129	73,159	\$ -	\$ 19,083,288
Vehicles	1,371,598	206,355	-	1,577,953
Machinery and Equipments	2,590,869	75,440	-	2,666,309
Land	4,167,437	-	-	4,167,437
Construction in Progress	1,889,824	809,147	-	2,698,971
	<b><u>\$ 29,029,857</u></b>	<b><u>\$ 1,164,101</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 30,193,958</u></b>

	<b>ACCUMULATED DEPRECIATION</b>			<b>December 31, 2019</b>
	<b>December 31, 2018</b>	<b>Depreciation</b>	<b>Transfers</b>	
Buildings	\$ 4,534,611	\$ 820,765	\$ -	\$ 5,355,376
Vehicles	1,297,177	129,467	-	1,426,644
Machinery and Equipments	2,188,785	94,768	-	2,283,553
	<b><u>\$ 8,020,573</u></b>	<b><u>\$ 1,045,000</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 9,065,573</u></b>

#### 7. Accounts payable

Liabilities of \$ 577,037 and \$ 512,743 at December 2019 and 2018 respectively, represent checks issued that were still outstanding as of those dates.