

Moments of Hope Outreach, Inc.**Notes to Financial Statements**

Note 7—Tax Matters

The Organization is classified as a public charity exempt from income tax under Section 501(c)(3) of the Internal Revenue Code as evidenced by its tax determination letter dated March 11, 2016. Accordingly, the accompanying financial statements do not contain a provision for income taxes. For the period from March 16, 2016 (date of incorporation) to December 31, 2016, the Organization filed Form 990-N, *Electronic Notice (e-Postcard) for Tax Exempt Organization Not Required to File Form 990 or 990-EZ*. For the years ended December 31, 2017 and 2018, the Organization filed Form 990-EZ, *Short Form Return of Organization Exempt from Income Tax*. For the year ended December 31, 2019, the Organization filed Form 990, *Return of Organization Exempt from Income Tax*, and expects to file Form 990 hereafter annually.

As a qualifying non-profit organization, the Organization has been issued a Retail Sales and Use Tax Certificate of Exemption from the Department of Taxation of the Commonwealth of Virginia. The exemption enables the Organization to purchase qualifying tangible personal property without being subject to Virginia sales and use tax. The Organization is unable to accurately quantify the annual tax savings resulting from this exemption. The exemption expires in August 2021 and is expected to be renewed at that date.

With limited exceptions, the Organization's Form 990 for the years ended December 31, 2017 through 2019, are open to examination by the Internal Revenue Service. In accordance with FASB ASC Topic 740, *Income Taxes*, management has evaluated the Organization's tax positions and has concluded that the Organization has taken no uncertain tax positions that would require adjustment to or disclosure in the accompanying financial statements.

Note 8—Subsequent Events

The Organization's Executive Director has evaluated subsequent events through April 10, 2020, which is the date the financial statements were available to be issued. This review indicated no matters requiring adjustment to or disclosure in the accompanying financial statements.

Note 9—Uncertainty

In early 2020, the World Health Organization declared the COVID-19 (Coronavirus) outbreak to be a pandemic. The United States Government's response to the pandemic included significant limitations on many aspects of Americans' daily lives, including personal mobility and closures of many public facilities. These limitations have caused significant disruption to workflow for U.S. companies and also has negatively impacted the financial markets in the United States and around the globe. Beneficiaries of the Organization's direct assistance are expected to be severely impacted by these economic issues which could adversely impact the Organization's cash flow and liquidity. The Organization has not made any adjustments to these financial statements as a result of this uncertainty.