

ALL INDIA MOVEMENT FOR SEVA, INC.
(A Nonprofit Organization)
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019

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**ALL INDIA MOVEMENT FOR SEVA, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2019**

ASSETS

Current Assets:

Cash and cash equivalents	\$ 1,770,403
Prepaid expenses	<u>31,136</u>
Total Current Assets	<u>1,801,539</u>

Property and Equipment:

Computer and office equipment	45,878
Furniture and fixtures	6,666
Leasehold improvements	<u>30,630</u>
	83,174
Less accumulated depreciation	<u>78,454</u>
Property and Equipment – Net	<u>4,720</u>

TOTAL ASSETS..... **\$ 1,806,259**

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable	\$ 355,708
Accrued expenses	<u>4,548</u>
Total Current Liabilities	<u>360,256</u>

Net Assets:

Without donor restrictions	<u>1,446,003</u>
Total Net Assets	<u>1,446,003</u>

TOTAL LIABILITIES AND NET ASSETS..... **\$ 1,806,259**

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

ALL INDIA MOVEMENT FOR SEVA, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<u>Support and Revenue:</u>			
Contributions	\$ 1,875,979	\$ 2,649,353	\$ 4,525,332
In kind contributions		651	651
Interest income	1,024		1,024
Net assets released from restrictions:			
Restrictions satisfied by grants in aid ..	<u>2,870,349</u>	<u>(2,870,349)</u>	
Total Support and Revenue	<u>4,747,352</u>	<u>(220,345)</u>	<u>4,527,007</u>
<u>Expenses:</u>			
Program services	3,566,883		3,566,883
Supporting services:			
General and administrative	115,840		115,840
Fundraising	<u>559,551</u>		<u>559,551</u>
Total Expenses	<u>4,242,274</u>	<u>0</u>	<u>4,242,274</u>
Change in Net Assets	505,078	(220,345)	284,733
NET ASSETS – BEGINNING	<u>940,925</u>	<u>220,345</u>	<u>1,161,270</u>
NET ASSETS – ENDING	<u>\$ 1,446,003</u>	<u>\$ 0</u>	<u>\$ 1,446,003</u>

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

**ALL INDIA MOVEMENT FOR SEVA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2019**

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Grants in aid.....	\$ 3,351,247	\$	\$	\$ 3,351,247
Advertising and publicity.....	47,349			47,349
Auto expense.....	2,213	2,213		4,426
Bank fees.....	35,201			35,201
Fundraising expenses.....			480,363	480,363
Insurance.....	7,865	7,865		15,730
Membership fees.....	801			801
Miscellaneous.....		897		897
Office expense.....	14,539			14,539
Payroll taxes.....	5,240	5,240	5,226	15,706
Postage.....	827		3,962	4,789
Printing.....	475			475
Professional fees.....	19,854	19,854		39,708
Rent.....	3,000	3,000		6,000
Repairs and maintenance.....	1,293	1,293		2,586
Travel.....	1,501			1,501
Utilities.....	4,277	4,277		8,554
Wages.....	<u>69,808</u>	<u>69,808</u>	<u>70,000</u>	<u>209,616</u>
Total Expenses Before				
Depreciation.....	3,565,490	114,447	559,551	4,239,488
Depreciation.....	<u>1,393</u>	<u>1,393</u>	<u> </u>	<u>2,786</u>
TOTAL EXPENSES.....	<u>\$ 3,566,883</u>	<u>\$ 115,840</u>	<u>\$559,551</u>	<u>\$ 4,242,274</u>

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

**ALL INDIA MOVEMENT FOR SEVA, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2019**

<u>Cash Flows From Operating Activities:</u>	
Change in net assets	\$ 284,733
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	2,786
(Increase) decrease in assets:	
Prepaid expenses	(639)
Increase (decrease) in liabilities:	
Accounts payable	349,878
Accrued expenses	<u>(1,352)</u>
Net Cash Provided By Operating Activities	<u>635,406</u>
<u>Cash Flows From Investing Activities:</u>	
Purchase of property and equipment	\$ <u>(1,007)</u>
Net Cash Used By Investing Activities	<u>(1,007)</u>
INCREASE IN CASH AND CASH EQUIVALENTS	634,399
CASH AND CASH EQUIVALENTS – BEGINNING OF YEAR.....	<u>1,136,004</u>
CASH AND CASH EQUIVALENTS – END OF YEAR	<u>\$ 1,770,403</u>

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

ALL INDIA MOVEMENT FOR SEVA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

Note 1 – Summary of Significant Accounting Policies:

Nature of Activities:

All India Movement for SEVA, Inc. (AIM) is a non-profit corporation, established in 2000, organized under the laws of the State of New York and registered in the Commonwealth of Pennsylvania. It is headquartered in Pennsylvania. The mission of AIM is to reach and educate every child across India through the concept of a free student home and to offer primary health care to rural and tribal populations through hospitals, clinics, and mobile medical units. The mission extends to conducting women empowerment programs and community training to encourage and to develop self-sufficiency among rural and tribal populations. Assistance is also provided in the U.S. and around the world toward disaster recovery efforts and toward other efforts consistent with our mission.

Basis of Accounting:

The accompanying financial statements have been prepared using the accrual basis of accounting.

Basis of Presentation:

The financial statements of AIM are required to report information regarding its financial position and activities according to two classes of net assets:

Net Assets Without Donor Restrictions: Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions: Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resources was restricted has been fulfilled, or both.

Fair Value Measurements:

The Organization reports the fair value of financial assets and liabilities that are required to be disclosed at fair value on a recurring basis, in accordance with FASB ASC 820-10, *Fair Value Measurements*. FASB ASC 820-10 defines fair value as the price that would be received upon the sale of an asset or paid upon the transfer of a liability in the most advantageous market for the exchange in an orderly transaction between market participants at the measurement date.

ALL INDIA MOVEMENT FOR SEVA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

Note 1 – Summary of Significant Accounting Policies (Continued):

Fair Value Measurements (Continued):

FASB ASC 820-10 expands the disclosure requirements regarding fair value and establishes a framework for measuring fair value by providing a fair value hierarchy that prioritizes the valuation inputs into three broad levels. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to measurements involving significant unobservable inputs (Level 3). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are based upon quoted market prices for identical assets or liabilities traded in active markets.
- Level 2 inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active or model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the asset or the liability.
- Level 3 inputs are generally unobservable and typically require the reporting entity to develop its own estimates of assumptions that market participants would utilize in pricing the asset or liability. The fair values would be determined using various model-based techniques.

Cash, prepaid expenses, accounts payable, and short-term accrued expenses are reflected in the financial statements at historical value, which approximates fair value, because of the short-term duration of these instruments, and are considered to be Level 1 inputs.

Contributions:

Contributions received are recorded as being with or without donor restrictions depending on the existence and/or nature of any restrictions. In kind contributions are recorded at fair market value.

ALL INDIA MOVEMENT FOR SEVA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

Note 1 – Summary of Significant Accounting Policies (Continued):

Support and Revenue Recognition:

A significant percentage of operating support and revenue received was designated as being with donor restrictions. In cases where donor restricted resources are received, funds are segregated until the related restriction is satisfied. Certain donations and fundraising may be designated by Board of Trustees' resolution. Other organizations hold various fundraising events on behalf of AIM throughout the United States of America. AIM retains a percentage of all contributions received without donor restrictions for general purposes.

Contributed Services:

Contributed services are recorded when a specialized skill is required, and the person contributing the service has the specialized skill. No such services were contributed during the year ended December 31, 2019 and no amounts have been reflected in the financial statements for contributed services.

Functional Expenses:

The costs of providing program services and other costs are reported on a functional basis in the statement of functional expenses. Accordingly, certain costs were allocated between program and supporting service functions that benefit from such costs. Disbursements including salaries and employee benefits that can be identified with a certain program or supporting service were allocated directly according to their natural classification. Other disbursements that are common to most functions were allocated based on staff time dedicated to each functional area.

Property and Equipment:

Property and equipment are valued at cost if purchased or fair market value if donated. Significant improvements which extend the life of property and equipment are capitalized. Normal repairs are expensed when incurred. Depreciation is computed by the straight-line method based on the following useful lives:

	<u>Years</u>
Computer and office	5
Furniture and fixtures	5-7
Leasehold improvements	10

Depreciation expense for the year ended December 31, 2019 was \$2,786.

Cash and Cash Equivalents:

For the purpose of the statements of financial position and cash flows, AIM defines cash as consisting of cash on hand, demand deposits, and money market accounts at banks.

ALL INDIA MOVEMENT FOR SEVA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

Note 1 – Summary of Significant Accounting Policies (Continued):

Income Taxes:

AIM is a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes pursuant to Section 501(a) of the Internal Revenue Code. The Organization is also exempt from Pennsylvania taxation under the applicable provisions of the Commonwealth's non-profit organization statutes.

The Financial Accounting Standards Board issued FASB ASC 740-10, "Accounting for Uncertainty in Income Taxes", which clarifies the accounting and recognition for income tax positions taken or expected to be taken in the Organization's annual Form 990 and related returns filed with the Internal Revenue Service. The Organization's Form 990 and related return filings are subject to audit by the IRS. The Organization's open audit periods are 2016-2018. Management believes that it is in compliance with current income tax laws and that it has not taken any uncertain income tax positions.

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Date of Management Evaluation of Subsequent Events:

Management has evaluated subsequent events through September 29, 2020, the date on which the financial statements were available to be issued.

Note 2 – Cash and Cash Equivalents:

The following is a detailed breakdown of AIM's cash and cash equivalent balances as of December 31, 2019:

Checking accounts	\$ 1,270,980
Money Market accounts.....	440,156
Undeposited funds	<u>59,267</u>
	<u>\$ 1,770,403</u>

ALL INDIA MOVEMENT FOR SEVA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

Note 3 – Concentration of Credit Risk - Cash Balances at a Single Financial Institution:

AIM maintains their cash balances in one financial institution. The balance is insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2019, AIM has uninsured cash balances totaling \$1,396,028.

Note 4 – Availability and Liquidity:

Financial assets available for general expenditure, that is, without donor or other use restrictions, within one year of the balance sheet date, comprise the following:

Cash and cash equivalents	\$ 1,770,403
Prepaid expenses	<u>31,136</u>
	<u>\$ 1,801,539</u>

Note 5 – Investment Return:

Investment return for the year ended December 31, 2019 is as follows:

	<u>Without Donor Restrictions</u>
Interest	<u>\$ 1,024</u>

Note 6 – Operating Leases:

AIM has a verbal month-to-month lease with Arsha Vidya Gurukulam for office space. According to FASB ASC Topic 840, *Leases*, rent expense is charged when incurred, and is usually reflected in a straight-line basis over the lease term; AIM follows this methodology. Monthly rent expense is \$500.

Note 7 – Affiliated International Organizations:

AIM is affiliated with like organizations located in India, Brazil, Canada, Singapore, and the United Arab Emirates. Generally, grants in aid are paid directly to its affiliated organization in India for distribution to the intended programs for which the contributions were solicited or received.