

**ALL INDIA MOVEMENT FOR SEVA, INC.**  
**(A Nonprofit Organization)**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2021**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
All India Movement for Seva, Inc.  
Saylorsburg, Pennsylvania

We have audited the accompanying financial statements of All India Movement for Seva, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of All India Movement for Seva, Inc. as of December 31, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of All India Movement for Seva Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about All India Movement For Seva, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our 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 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 financial statements.

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

- 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 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 All India Movement for Seva, Inc.'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about All India Movement for Seva, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are 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 we identified during the audit.



STYER ASSOCIATES  
Certified Public Accountants

Souderton, Pennsylvania  
October 31, 2022

**ALL INDIA MOVEMENT FOR SEVA, INC.  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2021**

**ASSETS**

**Current Assets:**

Cash and cash equivalents .....	\$ 4,501,997
Prepaid expenses.....	22,178
Total Current Assets.....	<u>4,524,175</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>81,048</u>
Property and Equipment – Net .....	<u>2,126</u>

**Other Assets:**

Deposit on donor software .....	<u>2,623</u>
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<b>TOTAL ASSETS.....</b>	<b><u>\$ 4,528,924</u></b>
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**LIABILITIES AND NET ASSETS**

**Current Liabilities:**

Accounts payable .....	\$ 1,261,603
Accrued expenses .....	<u>10,331</u>
Total Current Liabilities .....	<u>1,271,934</u>

**Net Assets:**

Without donor restrictions .....	3,232,232
With donor restrictions .....	<u>24,758</u>
Total Net Assets .....	<u>3,256,990</u>

<b>TOTAL LIABILITIES AND NET ASSETS.....</b>	<b><u>\$ 4,528,924</u></b>
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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, 2021**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b><u>Support and Revenue:</u></b>			
Contributions .....	\$ 2,457,026	\$ 5,792,004	\$ 8,249,030
Conditional contribution - Paycheck Protection Program .....	35,002		35,002
Investment income .....	284		284
Net assets released from restrictions:			
Restrictions satisfied by grants in aid ..	<u>5,869,405</u>	<u>(5,869,405)</u>	
Total Support and Revenue.....	<u>8,361,717</u>	<u>(77,401)</u>	<u>8,284,316</u>
<b><u>Expenses:</u></b>			
Program services.....	7,045,788		7,045,788
Supporting services:			
General and administrative .....	119,367		119,367
Fundraising .....	<u>138,525</u>		<u>138,525</u>
Total Expenses .....	<u>7,303,680</u>	<u>0</u>	<u>7,303,680</u>
Change in Net Assets .....	1,058,037	(77,401)	980,636
<b>NET ASSETS – BEGINNING .....</b>	<u>2,174,195</u>	<u>102,159</u>	<u>2,276,354</u>
<b>NET ASSETS – ENDING .....</b>	<u>\$ 3,232,232</u>	<u>\$ 24,758</u>	<u>\$ 3,256,990</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, 2021**

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Grants in aid.....	\$ 6,793,560	\$	\$	\$ 6,793,560
Advertising and publicity.....	81,112			81,112
Auto expense.....	1,525	1,524		3,049
Bank fees.....	40,909			40,909
Books and subscriptions .....	262			262
Fundraising expenses .....			63,074	63,074
Insurance .....	5,298	5,298		10,596
Membership fees.....	776			776
Miscellaneous .....		485		485
Office expense .....	5,314			5,314
Payroll taxes.....	5,398	5,398	5,342	16,138
Postage .....	1,634		109	1,743
Professional fees .....	28,263	28,263		56,526
Rent.....	2,250	2,250		4,500
Repairs and maintenance .....	1,369	1,369		2,738
Travel .....	3,337			3,337
Utilities.....	3,602	3,602		7,204
Wages.....	<u>70,734</u>	<u>70,734</u>	<u>70,000</u>	<u>211,468</u>
Total Expenses Before				
Depreciation .....	7,045,343	118,923	138,525	7,302,791
Depreciation.....	<u>445</u>	<u>444</u>	<u>          </u>	<u>889</u>
<b>TOTAL EXPENSES.....</b>	<b><u>\$ 7,045,788</u></b>	<b><u>\$ 119,367</u></b>	<b><u>\$138,525</u></b>	<b><u>\$ 7,303,680</u></b>

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, 2021**

**Cash Flows From Operating Activities:**

Change in net assets .....	\$ 980,636
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation .....	889
(Increase) decrease in assets:	
Prepaid expenses .....	339
Increase (decrease) in liabilities:	
Accounts payable .....	511,535
Accrued expenses .....	<u>8,586</u>
Net Cash Provided By Operating Activities .....	<u>1,501,985</u>

**Cash Flows From Investing Activities:**

Deposit on donor software .....	<u>(2,623)</u>
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**INCREASE IN CASH AND CASH EQUIVALENTS .....** 1,499,362

**CASH AND CASH EQUIVALENTS – BEGINNING OF YEAR.....** 3,002,635

**CASH AND CASH EQUIVALENTS – END OF YEAR .....** \$ 4,501,997

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

**ALL INDIA MOVEMENT FOR SEVA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**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, 2021**

**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, 2021**

**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, 2021 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, 2021 was \$889.

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, 2021**

**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 2018-2021. 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 October 31, 2022, 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, 2021:

Checking accounts .....	\$ 611,367
Money Market accounts.....	3,403,650
Undeposited funds .....	<u>486,980</u>
	<u>\$ 4,501,997</u>

**ALL INDIA MOVEMENT FOR SEVA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**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, 2021, AIM has uninsured cash balances totaling \$3,763,690.

**Note 4 – Availability and Liquidity:**

The following reflects AIM's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions.

Financial assets at year-end:

Cash and cash equivalents .....	\$ 4,501,997
Prepaid expenses .....	<u>22,178</u>
	4,524,175

Less those unavailable for general expenditures within one year due to:

Donor restricted for projects in India.....	<u>24,758</u>
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Financial assets available to meet cash needs for general expenditures within one year.....

\$ 4,499,417

**Note 5 – Investment Return:**

Investment return for the year ended December 31, 2021 is as follows:

	<u>Without Donor</u>
	<u>Restrictions</u>
Interest .....	\$ <u>284</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.

**ALL INDIA MOVEMENT FOR SEVA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**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.

**Note 8 – Net Assets with Donor Restrictions:**

Net assets with donor restrictions as of December 31, 2021 were available for the following:

Donor restricted for projects in India.....	\$ <u>24,758</u>
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**Note 9 – Loan Payable - Paycheck Protection Program:**

On February 5, 2021, AIM received a Small Business Administration Paycheck Protection Program loan due to the Covid-19 epidemic in the amount of \$35,002. Per SBA regulations, the Paycheck Protection Program loan will be forgiven if spent on allowable expenses, which AIM believes it has done. Per AICPA nonprofit guidance, the forgiven funds are recognized as a conditional contribution. As of December 31, 2021, all of the funds were spent, and the loan was forgiven on December 6, 2021.