

**AMOVEO GROUP
FINANCIAL STATEMENTS
DECEMBER 31, 2019**

CONTENTS

	<u>PAGE</u>
Independent Accountants' Review Report	1
Financial Statements:	
Statement of Financial Position – Modified Cash Basis	2
Statement of Activities – Modified Cash Basis	3
Statement of Functional Expenses – Modified Cash Basis	4
Notes to Financial Statements	5

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
Amoveo Group
Media, Pennsylvania

We have reviewed the accompanying Statement of Financial Position of Amoveo Group as of December 31, 2019 and the related Statement of Activities and Functional Expenses for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting; 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the modified cash basis of accounting.

Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

BLISS & COMPANY, LTD.

October 9, 2020

AMOVEO GROUP

Statement of Financial Position - Modified Cash Basis

December 31, 2019

(See Independent Accountants' Review Report)

Assets

Assets	
Cash and cash equivalents	<u>6,322</u>
Total Assets	<u><u>6,322</u></u>

Liabilities and Net Assets

Liabilities	
Accrued expenses	21,411
Note payable	<u>-</u>
Total Liabilities	21,411
Net Assets	
Net assets without donor restrictions	<u>(15,089)</u>
Total Liabilities and Net Assets	<u><u>6,322</u></u>

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

AMOVEO GROUP

Statement of Activities - Modified Cash Basis

For the Year Ended December 31, 2019

(See Independent Accountants' Review Report)

Revenues, Gains and Other Support	
Contributions	517,355
Expenses	
Program services	446,685
Supporting Services	
Mangement and general	23,143
Fundraising	<u>13,516</u>
Total Expenses	<u>483,344</u>
Change in Net Assets	34,011
Net Assets at Beginning of Year	<u>(49,100)</u>
Net Assets at End of Year	<u><u>(15,089)</u></u>

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

AMOVEO GROUP

Statement of Functional Expenses - Modified Cash Basis

For the Year Ended December 31, 2019

(See Independent Accountants' Review Report)

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Project expenses	397,219	-	-	397,219
Professional fees	38,619	10,050	10,924	59,593
Travel	3,985	-	-	3,985
Member care	2,010	-	-	2,010
Meals and entertainment	3,899	-	-	3,899
Bank fees	-	6,557	-	6,557
Supplies	-	2,898	-	2,898
Insurance	-	-	-	-
Fundraising	-	-	2,592	2,592
Interest expense	-	2,940	-	2,940
Staff transition	-	-	-	-
Miscellaneous	-	475	-	475
Repairs and maintenance	-	-	-	-
Advertising	953	223	-	1,176
Total Expenses	<u>446,685</u>	<u>23,143</u>	<u>13,516</u>	<u>483,344</u>

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

AMOVEO GROUP

Notes to the Financial Statements

December 31, 2019

(See Independent Accountants' Review Report)

Notes:

(1) Summary of Significant Accounting Policies:

Organization and Objectives:

Amoveo Group (a Pennsylvania non-profit organization) (Organization) was founded in 2013. The Organization exists to be the catalyst for collective impact initiatives in poor communities around the world. The Organization cultivates indigenous resources to create sustainable businesses, strategically designed to take devitalized communities and return them to life. The Organization's primary sources of revenue are from volunteer teams, contributions, and services rendered.

Use of Estimates:

The preparation of financial statements in accordance with the modified cash basis of accounting may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities, if any, at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Accounting:

The Organization prepares its financial statements on the cash basis of accounting, modified for recording certain accrued expenses, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Accordingly, certain revenue and related assets are recognized only when cash is received rather than when earned and certain expenses are recognized only when cash is paid rather than when the liability is incurred.

The Organization reports information regarding its financial position and activities according to two classes of net assets; net assets with donor restrictions and net assets without donor restrictions.

AMOVEO GROUP

Notes to the Financial Statements

December 31, 2019

(See Independent Accountants' Review Report)

Cash and Cash Equivalents:

Cash and cash equivalents include investments in highly liquid debt instruments with a maturity of three months or less.

Revenue Recognition:

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods, or restricted by the donor for specific purposes, are reported as temporarily restricted or permanently restricted support that increases those net asset classes. However, if a restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as unrestricted.

Functional Expenses:

The costs of providing the various programs and other activities are summarized on a functional basis in the statement of activities – modified cash basis. Accordingly, certain expenses have been allocated among the programs and supporting services benefited. Supporting services consist of management and general and fundraising expenses. Expenses are allocated to program and supporting services on the following bases:

- (a) Executive team expenses are allocated based on an estimate of time allocated to fundraising and program activities.
- (b) Networking expenses are allocated evenly between program and fundraising.

Advertising Costs:

For the year ended December 31, 2019, advertising expense amounted to \$1,176.

Subsequent Events:

The Organization has evaluated subsequent events through **October 9**, 2020, which is the date the financial statements were available to be issued. No material events subsequent to December 31, 2019 were noted.

(2) Tax-Exempt Status:

The Organization is a not-for-profit entity described in Section 501(c)(3) of the Internal Revenue Code (Code), and is exempt from income taxes on related activities pursuant to Section 509(a) of the Code. In addition, the Organization was organized under the Pennsylvania Nonprofit Corporation Law and is exempt from state income taxes.

AMOVEO GROUP

Notes to the Financial Statements

December 31, 2019

(See Independent Accountants' Review Report)

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization, including whether the entity is exempt from income taxes. Management evaluated the tax positions taken and concluded that the Organization had taken no uncertain tax positions that require recognition or disclosure in the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements. With few exceptions, the Organization is no longer subject to income tax examinations by the U.S. Federal, state or local tax authorities for years before December 31, 2016.

(3) Related Parties:

During the year ended December 31, 2019, members of the Board of Directors provided consulting services to the Organization. The Organization paid members of the Board of Directors of \$31,210 for the year ended December 31, 2019.

During the year, the Organization repaid a loan to a board member in the amount of \$48,612. See Note 5 for more details.

(4) Liquidity:

The Organization has \$6,322 of financial assets available within one year of the statement of financial position date to meet cash needs for general operating expenditures, consisting of cash.

(5) Prior Period Adjustment:

During the year, the Organization discovered that a loan to a board member had been removed from the books in a previous year in error. The loan was paid back during the year ended December 31, 2019 in the amount of \$48,612. To record the repayment of the loan a prior period adjustment was made to record the liability and to decrease net assets by \$48,612.