

**AMOVEO GROUP
FINANCIAL STATEMENTS
DECEMBER 31, 2020**

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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, 2020 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 determining that the cash basis of accounting is an acceptable basis for the preparation of financial statements in the circumstances. Management is also responsible 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.

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.

September XX, 2021

AMOVEO GROUP

Statement of Financial Position - Modified Cash Basis

December 31, 2020

(See Independent Accountants' Review Report)

Assets

Assets	
Cash and cash equivalents	<u>72,922</u>
Total Assets	<u><u>72,922</u></u>

Liabilities and Net Assets

Liabilities	
Accrued expenses	3,045
Note payable	<u>150,000</u>
Total Liabilities	153,045
Net Assets	
Net assets without donor restrictions	<u>(80,123)</u>
Total Liabilities and Net Assets	<u><u>72,922</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, 2020

(See Independent Accountants' Review Report)

Revenues, Gains and Other Support	
Contributions and grants	336,301
Expenses	
Program services	374,095
Supporting Services	
Mangement and general	16,372
Fundraising	<u>10,868</u>
Total Expenses	<u>401,335</u>
Change in Net Assets	(65,034)
Net Assets at Beginning of Year	<u>(15,089)</u>
Net Assets at End of Year	<u><u>(80,123)</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, 2020

(See Independent Accountants' Review Report)

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Project expenses	337,289	-	-	337,289
Professional fees	26,279	6,869	9,762	42,910
Travel	2,855	-	254	3,109
Member care	1,600	-	-	1,600
Meals and entertainment	2,880	-	852	3,732
Bank fees	-	3,681	-	3,681
Supplies	-	3,312	-	3,312
Fundraising	-	-	-	-
Interest expense	-	1,957	-	1,957
Miscellaneous	-	474	-	474
Advertising	3,192	79	-	3,271
	<u>374,095</u>	<u>16,372</u>	<u>10,868</u>	<u>401,335</u>
Total Expenses				

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

AMOVEO GROUP

Notes to the Financial Statements

December 31, 2020

(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.

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December 31, 2020

(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 restricted support that increases net assets with donor restrictions. However, if a restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as revenue with no donor restrictions.

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, 2020, advertising expense amounted to \$3,271.

Subsequent Events:

The Organization has evaluated subsequent events through September XX, 2021, which is the date the financial statements were available to be issued. No material events subsequent to December 31, 2020 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.

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Notes to the Financial Statements

December 31, 2020

(See Independent Accountants' Review Report)

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 ending before December 31, 2017.

(3) Note Payable:

During the year the Organization received an Economic Impact Development Loan from the Small Business Administration (SBA). The loan of \$150,000 is to be repaid over 30 years with interest accruing at a fixed rate of 2.75 percent. Monthly principal and interest payments of \$612 commence in June 2022.

Maturities of long-term debt for the next five years and thereafter:

2021	\$ -
2022	1,893
2023	3,317
2024	3,409
2025	3,504
Thereafter	<u>162,123</u>
	<u>\$ 174,246</u>

(4) Related Parties:

During the year ended December 31, 2020, members of the Board of Directors provided consulting services to the Organization. The Organization paid members of the Board of Directors of \$25,021 for the year ended December 31, 2020.

(5) Liquidity:

The Organization has \$72,922 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.