

SARVODAYA U.S.A. CORPORATION
FINANCIAL STATEMENTS
Year Ended December 31, 2024

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INDEPENDENT ACCOUNTANT'S AUDIT REPORT

To the Board of Directors
Sarvodaya U.S.A. Corporation
Alexandria, VA 22312

Opinion

We have audited the accompanying financial statements of Sarvodaya U.S.A. Corporation (a Not-for-Profit Corporation), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, 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 Sarvodaya U.S.A. Corporation as of December 31, 2024, 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 audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Sarvodaya U.S.A. Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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.

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 Sarvodaya U.S.A. Corporation's

ability to continue as a going concern for a reasonable period of time, one year from the date the financial statements are available to be issued.

Auditor's Responsibility

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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but not absolute assurance, and therefore is not a guarantee that an audit conducted in accordance with Generally Accepted Auditing Standards (GAAS) 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, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, 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 Sarvodaya U.S.A. Corporation'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 Sarvodaya U.S.A. Corporation'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.

Ernest L. Tomkiewicz CPA

Ernest L Tomkiewicz CPA PLLC

Concord, NH

May 26, 2025

SARVODAYA USA CORPORATION
Statement of Financial Position
As of December 31, 2024

	2024
ASSETS	
Current Assets	
Cash	\$ 864,513
Contribution Receivable	302,786
Total Current Assets	\$ 1,167,299
TOTAL ASSETS	\$ 1,167,299
LIABILITIES	
Current Liabilities	
Conditional Contributions-current	\$ 302,786
Total Current Liabilities	\$ 302,786
Non-current Liabilities	\$ -
Total Non-current Liabilities	\$ -
TOTAL LIABILITIES	\$ 302,786
NET ASSETS	
Without Donor Restrictions	\$ 38,431
With Donor Restrictions	826,082
TOTAL NET ASSETS	\$ 864,513
TOTAL LIABILITIES AND NET ASSETS	\$ 1,167,299

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See accompanying notes and independent accountant's audit report

SARVODAYA USA CORPORATION
Statement of Activities
For the Year Ended December 31, 2024

	2024	
Revenue		
Contributions	\$	1,286,641
Total Revenue	\$	1,286,641
Expenses		
Program Expenses	\$	999,686
Administration		32,444
Fundraising		-
Total Expenses	\$	1,032,130
Other Income		
Interest		21,510
CHANGE IN NET ASSETS		
Without Donor Restrictions	\$	(3,011)
With Donor Restrictions		279,032
Total Change in Net Assets	\$	276,021
NET ASSETS, Beginning	\$	588,492
NET ASSETS, Ending	\$	864,513

See accompanying notes and independent accountant's audit report

SARVODAYA USA CORPORATION
Statement of Cash Flows
For the Year Ended December 31, 2024

	2024
CASH FLOWS FROM OPERATING ACTIVITIES	
Net income	\$ 276,021
(Increase) decrease from operating assets	
Contributions Receivable	1,184,138
Increase (decrease) from operating liabilities	
Conditional Contributions	(1,184,138)
Net cash provided by operating activities	\$ 276,021
CASH FLOWS FROM INVESTING ACTIVITIES	
	\$ -
Net cash provided by investing activities	\$ -
CASH FLOWS FROM FINANCING ACTIVITIES	
	\$ -
Net cash provided by financing activities	\$ -
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ 276,021
CASH AND CASH EQUIVALENTS, beginning of year	\$ 588,492
CASH AND CASH EQUIVALENTS, end of year	\$ 864,513

	2024
Interest Paid	\$ -
Taxes Paid	\$ -

See accompanying notes and independent accountant's audit report

SARVODAYA USA CORPORATION
Statement of Functional Expenses
For the Year Ended December 31, 2024

	Program Expenses	Administration	Fundraising	Total
Bank Fees	\$ 1,052	\$ -	\$ -	\$ 1,052
Dues and Subscriptions	4,455	-	-	4,455
Licenses and Permits	-	4,119	-	4,119
Professional Fees	-	28,325	-	28,325
Travel	1,089	-	-	1,089
Programs				
Teach Nepal	29,364	-	-	29,364
Sri Lanka	19,200	-	-	19,200
Global Health Nepal	39,420	-	-	39,420
Gates	905,106	-	-	905,106
Total	\$ 999,686	\$ 32,444	\$ -	\$ 1,032,130

SARVODAYA U.S.A. CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

NOTE A – THE ORGANIZATION

Nature of operations and revenue

Sarvodaya USA was inspired by the community-led development work being pioneered in Sri Lanka by Dr. A.T. Ariyaratne that began in 1958. Sarvodaya Nepal was established in 2013 and now operates as a member of the global Teach for All network. We are its US fiscal home.

The Organization provides a step-by-step process of building the social and economic infrastructure villages need to meet their basic needs on a self-help basis. During a crisis, be it war, tsunami, political or economic, Sarvodaya organizes relief, rehabilitations and peacebuilding activities.

Sarvodaya USA is a volunteer-led 501c3 organization that raises funds online and from the general public to support Sarvodaya's charitable work in Sri Lanka and Nepal. Each year, volunteers also organize fundraising events in person and online. From time to time, Sarvodaya USA also receives large grants from corporations and foundations. During 2024, the Organization received an unprecedented multiyear grant from the Bill and Melinda Gates Foundation.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions

Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Measure of Operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization's ongoing operations. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

Cash and cash equivalents

The Organization considers cash, money market accounts and short-term, highly liquid investments with a maturity of three months or less, as cash in the financial statements. The balance of cash is held in FDIC insured bank accounts. There were no cash equivalents as of December 31, 2023. The Organization's cash balance at year end is \$864,513.

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 disclosure of 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.

Advertising Costs

The cost of all advertising is expensed as incurred by the Organization. There were no advertising costs in 2024.

Capitalization Policy

Assets over \$2,500 are capitalized and depreciated, or amortized, according to Organization depreciation/amortization policies.

Depreciation

Assets are depreciated along the following time frames: buildings 39 years, building improvements 39 years, equipment 5-7 years, furniture and fixtures 3 years. Depreciation expense and accumulated depreciation for the year is \$0. The Organization holds no capital assets as of December 31, 2024.

Concentrations of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash, cash equivalents and investments. The Organization maintains its cash in one bank account that, at times, may exceed federally insured limits. The Organization has not experienced, nor does it anticipate, any losses with respect to such accounts.

Contributions Receivable

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Discount amortization is included in contribution revenue.

Conditional promises to give are not included as support until the conditions are met. As of December 31, 2024, the Organization recognizes \$302,786 in contributions receivable. As these contributions are conditional, they also recognize a corresponding liability for conditional contributions of \$302,786.

Revenue Recognition

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

The Organization follows accounting Standards Update (ASU) No. 2014-09, Revenue from Contracts with Customers (Topic 606). Under this guidance revenue is recognized when promised goods or services are transferred to the customer in an amount that reflects the consideration that is expected to be received for those goods or services.

In Kind Donations

Several volunteers have made contributions of their time in furtherance of the Organization's mission. These services were not reflected in the accompanying statements of activities because they do not meet the necessary criteria for recognition under US GAAP.

Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among program services and supporting services benefited. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

<i>Expense</i>	<i>Method of Allocation</i>
Program Services	Direct Costs

Administrative Expenses

Direct Costs

Fundraising

Direct Costs

Income Taxes

The Organization is exempt from income tax under IRC section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Organization periodically reviews its processes to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions.

Leases

The Organization follows FASB ASU No. 2017-02, "Leases (Topic 842)," which requires organizations that lease assets, referred to as "lessees," to recognize on the balance sheet the assets and liabilities for the rights and obligations created by those leases with lease terms of more than 12 months. ASU 2017-02 will also require disclosures to help investors and other financial statement users better understand the amount, timing, and uncertainty of cash flows arising from leases and will include qualitative and quantitative requirements. As of December 31, 2024, the Organization holds no leases that meet the requirement for recognition.

Presentation

The Organization follows FASB ASU 2016-14, Not-for-Profit Entities (Topic 958) —*Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Organization has adjusted the presentation of its financial statements accordingly. Donor restricted contributions whose restrictions are met in the same reporting period as they are received are reported as unrestricted support.

NOTE C - AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets for the year ended December 31, 2024:

	2024
Cash	\$864,513

For the year ended December 31, 2024, the Organization reports working capital in the amount of \$864,513. The average days cash on hand for the year ended December 31, 2024, is 306 days.

NOTE D - NET ASSETS

For the year ended December 31, 2024, the Organization reports \$126,415 in net assets without donor restrictions and \$738,098 in net assets with donor restrictions. Restrictions on net assets relate to a grant from the Bill and Melinda Gates Foundation. Funds are to be expended

for development of a digital backbone in the agriculture sector of Sri Lanka and provide a platform for data driven decision making and farmer advisory services.

NOTE E – RISK MANAGEMENT AND UNCERTAINTY

General

Business and operations are sensitive to general business and economic conditions in the United States. A host of factors beyond the Organization's control could cause fluctuations in these conditions. Adverse conditions may include recession, downturn or otherwise, changes in regulations or restrictions, or competition. These adverse conditions could affect the Organization's financial condition and the results of its operations. As of December 31, 2024, the Organization is operating as a going concern.

Insurance

The Organization is exposed to various risks of loss related to tort, theft of, damage to and destruction of assets, errors and omissions, and job-related illness or injuries to employees for which it carries commercial insurance to cover the risk of loss for both property and business liability. There are no known claims of incidents that may result in the assumption of material claims arising from potential losses as of December 31, 2024.

Cash

At times the Organization may maintain cash balances with banks in excess of the federally insured amount. This occurrence is not uncommon for businesses which receive revenue amounts similar to those of the Organization. The amount held in excess of insured limits at December 31, 2024 is \$592,960.

NOTE F - DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, The Organization has evaluated events and transactions for potential recognition or disclosure through May 26, 2025, the date that the financial statements were available to be issued.