

AROGYA, INC.
(d/b/a AROGYA WORLD)

FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014

AROGYA, INC.
(d/b/a AROGYA WORLD)
YEAR ENDED DECEMBER 31, 2014

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Independent Accountants' Review Report

Board of Directors
Arogya, Inc.
(d/b/a Arogya World)
Langhorne, PA

We have reviewed the accompanying statement of financial position of Arogya, Inc. (d/b/a Arogya World) (a Pennsylvania Nonprofit Organization) as of December 31, 2014, and the related statements of activities and changes in net assets and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization 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 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 designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

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 conformity with accounting principles generally accepted in the United States of America.

Shechtman Marks Devor PC

August 19, 2015

AROGYA, INC.
(d/b/a AROGYA WORLD)
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2014
(See Independent Accountants' Review Report)

ASSETS

Current assets:

Cash	\$351,685
Contributions receivable	<u>9,120</u>

Total assets \$360,805

LIABILITIES AND NET ASSETS

Current liabilities:

Accounts payable	\$ 20,721
Deferred revenue	<u>235,000</u>

Total current liabilities 255,721

Net assets:

Unrestricted	95,621
Temporarily restricted	<u>9,463</u>

Total net assets 105,084

Total liabilities and net assets \$360,805

AROGYA, INC.
(d/b/a AROGYA WORLD)
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2014
(See Independent Accountants' Review Report)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue:			
Contributions and grants	\$ 240,970	\$ -	\$ 240,970
In-kind contributions	134,503	-	134,503
Net assets released from restrictions	<u>132,277</u>	<u>(132,277)</u>	<u>-</u>
Total revenue	<u>507,750</u>	<u>(132,277)</u>	<u>375,473</u>
Functional expenses:			
Program operating expenses:			
In-kind services	52,088	-	52,088
In-kind travel and related expenses	22,278	-	22,278
Healthy schools education	2,277	-	2,277
Healthy workplace	20,395	-	20,395
mHealth programs	65,924	-	65,924
NCD global advocacy and awareness	15,240	-	15,240
Women's survey program	<u>163,613</u>	<u>-</u>	<u>163,613</u>
	<u>341,815</u>	<u>-</u>	<u>341,815</u>
Fundraising expenses:			
In-kind services	19,700	-	19,700
In-kind expenses	10,975	-	10,975
Communications	5,921	-	5,921
Development costs	25,558	-	25,558
Marketing and networking fees	<u>704</u>	<u>-</u>	<u>704</u>
	<u>62,858</u>	<u>-</u>	<u>62,858</u>
General and administrative expenses:			
In-kind services	25,586	-	25,586
In-kind travel and related expenses	2,479	-	2,479
Bank charges and processing fees	1,165	-	1,165
Education and conferences	972	-	972
Insurance expense	1,715	-	1,715
Other expenses	4,679	-	4,679
Professional fees	21,709	-	21,709
Taxes and fees	<u>278</u>	<u>-</u>	<u>278</u>
	<u>58,583</u>	<u>-</u>	<u>58,583</u>
Total expenses	<u>463,256</u>	<u>-</u>	<u>463,256</u>
Changes in net assets	44,494	(132,277)	(87,783)
Net assets, beginning of year	<u>51,127</u>	<u>141,740</u>	<u>192,867</u>
Net assets, end of year	<u>\$ 95,621</u>	<u>\$ 9,463</u>	<u>\$ 105,084</u>

AROGYA, INC.
(d/b/a AROGYA WORLD)
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2014
(See Independent Accountants' Review Report)

Cash flows from operating activities:	
Changes in net assets	\$ (87,783)
Changes in operating assets and liabilities:	
Decrease in operating assets:	
Receivables:	
Contributions	20,880
Grants	100,000
Increase in operating liabilities:	
Accounts payable	10,356
Deferred revenue	<u>235,000</u>
Net cash provided by operating activities	<u>278,453</u>
Net increase in cash	278,453
Cash, beginning of year	<u>73,232</u>
Cash, end of year	<u><u>\$ 351,685</u></u>

AROGYA, INC.
(d/b/a AROGYA WORLD)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(See Independent Accountants' Review Report)

1. DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

Arogya, Inc. (d/b/a Arogya World) (the "Organization"), founded in 2010, is a global health not-for-profit organization working to prevent non-communicable diseases (NCDs) through health education and lifestyle changes. The Organization strives to achieve its mission of changing the course of chronic diseases by focusing on partnerships and innovative technology and by implementing scalable and sustainable programs with measurable impact.

India is a key country of focus because of its alarmingly high NCD disease burden. The Organization's innovative mDiabetes (mHealth 1.0) program was successful in helping approximately 150,000 Indians lead healthier lives. The organization is now working on the next phase, mHealth 2.0, and is developing a mobile app called myArogya, which is designed as a one-stop shop for chronic disease prevention for working Indians. In addition to diabetes, the app will also focus on heart disease, stroke, and kidney disease awareness and prevention and will have food and activity trackers to help consumers on their health journey. Other key programs include Healthy Workplaces and Healthy Schools. 27 companies in India became Healthy Workplaces by the end of 2014.

The organization led an important 10,000 Global Women's NCD Impact Survey and fulfilled a Clinton Global Initiative Commitment made in 2013. Preliminary results were presented at a multi-stakeholder gathering at the United Nations on July 11, 2014. The full quantitative report, which includes rich data on the impact of NCDs on women's everyday lives, was released September 23, 2014 and is being shared with thought-leaders and policy makers to move governments into action. Videos and infographics were also produced to highlight the impact of NCDs on women and their families.

Basis of Presentation

The Organization's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP") using the accrual basis of accounting, and as such, are required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

Classification of Net Assets

Net assets are categorized according to externally (donor) imposed restrictions. A description of the net assets categories is as follows:

Unrestricted net assets - are those net assets that are available for the support of operations and whose use is not externally restricted by donors.

Temporarily restricted net assets - are those net assets subject to donor-imposed stipulations that can be fulfilled by the Organization's actions pursuant to these stipulations or that expire by the passage of time.

AROGYA, INC.
(d/b/a AROGYA WORLD)
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2014
(See Independent Accountants' Review Report)

1. DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Classification of Net Assets (continued)

Permanently restricted net assets - are those net assets whose use by the Organization has been limited by donors in perpetuity. There were no permanently restricted net assets as of the statement of financial position date.

Use of Estimates

The preparation of financial statements in conformity with US GAAP 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.

Deferred Revenue

Deferred revenue includes proceeds from a grant that have not been earned at year-end, but are expected to be recognized as revenue in future years as expenses are incurred in fulfillment of the terms of the grant. A condition of this grant is that any unspent funds at the end of the grant term would be returned to the grantor.

Support and Revenue Recognition

In accordance with US GAAP, grants and contributions, including unconditional promises to give, are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions. Grants and contributions are recorded upon receipt of notification.

When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities and changes in net assets as net assets released from restrictions. Gifts for which the donor restriction expires in the same year as the receipt of the gift are included in unrestricted support.

All contributions are considered available for unrestricted use unless specifically restricted by donor request.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the financial statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited based upon employee time spent on each program or service.

AROGYA, INC.
(d/b/a AROGYA WORLD)
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2014
(See Independent Accountants' Review Report)

1. DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Services

The Organization generally pays for most services requiring specific expertise. The value of donated services is recognized if the services received (a) create or enhance non-financial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Donated services that met the criteria for recognition are included as in-kind contribution revenue and related expenses in the accompanying statement of activities and changes in net assets. The Organization recorded \$97,374 of in-kind contributions for time (salary) donated by Board members fulfilling the roles of Executive Director and Chief Financial Officer and for other professional services rendered during the year ended December 31, 2014. Additionally, the Executive Director and others personally paid for approximately \$35,732 of unreimbursed travel and related costs for business trips and other costs incurred in administering the Organization's programs or in fundraising efforts.

Income Taxes

The Organization is exempt from federal income taxes under the provisions of the Internal Revenue Code Section 501(c)(3), and is exempt from state income taxes under the provisions of the Pennsylvania Nonprofit Corporation Law. The Organization is not a private foundation under Section 509(a) of the Internal Revenue Code. Therefore, no provision for federal or state income taxes are included in the accompanying financial statements.

2. COMMITMENTS

The Organization has entered into agreements with vendors for work to be performed in fulfillment of the Organization's mission of providing education and information about NCDs. Payments are due to these vendors in stages based upon the satisfactory completion of the contracted services. The total amount due under these agreements upon the vendors reaching certain milestones in 2015 is approximately \$48,000 as of December 31, 2014.

3. UNCERTAIN TAX POSITIONS

Management of the Organization considers the likelihood of changes by taxing authorities in its filed income tax returns and recognizes a liability for or discloses potential significant changes that management believes are more likely than not to occur upon examination by tax authorities, including changes to the Organization's status as a not-for-profit entity. The Organization is in the midst of its fifth full year of existence, and will be subject to the Internal Revenue Service's public support test calculation beginning in 2015. Management believes the Organization has met the requirements to maintain its tax-exempt status to date, and expects to comply with the public support test in 2015 and beyond to maintain its public charity status. Further, management has not identified any uncertain tax positions subject to the unrelated business income tax that require recognition or disclosure in the accompanying financial statements. The Organization's income tax returns for the past three years are subject to examination by tax authorities, and may change upon examination.

AROGYA, INC.
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NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2014
(See Independent Accountants' Review Report)

4. RESTRICTIONS ON NET ASSETS

Temporarily restricted net assets of \$9,463 as of December 31, 2014 are restricted for the purpose of funding the Organization's Health Schools program.

5. CONCENTRATION OF CREDIT RISK

During the year ended December 31, 2014, approximately 64% of contributions and grants revenue was received from three donors.

6. SUBSEQUENT EVENTS

The Organization has evaluated events and transactions for potential recognition or disclosure in the financial statements through August 19, 2015, the date on which the financial statements were available to be issued.