

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

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

AND

INDEPENDENT AUDITORS' REPORT

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

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INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of Arogya, Inc. (a nonprofit organization) (the Organization), which comprise the statement of financial position as of December 31, 2018, 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.

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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the financial statements 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 the Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Arogya, Inc. as of December 31, 2018, 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.

Emphasis-of-Matter

As discussed in Note 2 to the financial statements, Arogya, Inc. adopted the Financial Accounting Standards Board Accounting Standards Update (“ASU”) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*, as of and for the year ended December 31, 2018. The requirements of the ASU have been applied retrospectively. Our opinion is not modified with respect to this matter.



FRIEDMAN LLP

Philadelphia, Pennsylvania
November 13, 2019

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

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2018

ASSETS

Cash	\$ 378,596
Pledge receivable, net	87,306
Investments	2,114
Total assets	\$ 468,016

LIABILITIES AND NET ASSETS

Current liabilities

Accounts payable	\$ 10,632
Deferred revenue	16,518
Total current liabilities	27,150

Net assets

Without donor restrictions	202,032
With donor restrictions	238,834
Total net assets	440,866
Total liabilities and net assets	\$ 468,016

See notes to financial statements.

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

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

YEAR ENDED DECEMBER 31, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and support			
Grants and contributions	\$ 39,413	22,960	\$ 62,373
Special event	109,030	91,396	200,426
In-kind contributions	229,728	-	229,728
Interest income	205	-	205
Net unrealized loss on investments	(648)	-	(648)
Net assets released from restrictions	176,928	(176,928)	-
Total revenues and support	554,656	(62,572)	492,084
Expenses			
Program services	452,822	-	452,822
Special event			
Direct donor benefit	36,232	-	36,232
Event costs	14,092	-	14,092
Development	20,303	-	20,303
General and administrative	54,362	-	54,362
Total expenses	577,811	-	577,811
Change in net assets	(23,155)	(62,572)	(85,727)
Net assets, beginning of year	225,187	301,406	526,593
Net assets, end of year	\$ 202,032	\$ 238,834	\$ 440,866

See notes to financial statements.

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

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2018

	mHealth/ Technology	Healthy Workplace	Women and Children's Programs	NCD Global Advocacy and Awareness	Total Program Service	Special Event Fundraising	Development	General and Administrative	Total
Communications	\$ 14,360	\$ 9,419	\$ 4,700	\$ 24,199	\$ 52,678	\$ -	\$ 2,000	\$ -	\$ 54,678
Conferences and meetings	258	16,190	3,375	318	20,141	-	-	318	20,459
Consultants	23,066	25,586	24,816	1,055	74,523	10,000	11,501	5,334	101,358
Donated services									
Consultants	-	-	-	57,420	57,420	580	-	-	58,000
Fundraising events	-	-	-	-	-	-	4,000	-	4,000
Occupancy	2,550	2,550	2,550	2,550	10,200	900	-	900	12,000
Salary	20,226	19,819	39,327	20,022	99,394	10,102	920	23,712	134,128
Travel and related expenses	4,320	4,320	8,640	4,320	21,600	-	-	-	21,600
Fees	335	87	280	1,000	1,702	2,067	225	216	4,210
Fundraising events	-	-	-	-	-	26,207	-	-	26,207
Grants	6,700	-	66,290	1,000	73,990	-	-	-	73,990
Insurance	-	-	-	-	-	373	-	1,036	1,409
Legal and professional	-	-	-	-	-	-	-	21,770	21,770
Office expense	-	-	-	-	-	25	-	375	400
Research	12,462	723	7,527	-	20,712	-	-	-	20,712
Travel and related expenses	3,502	6,427	6,723	3,810	20,462	70	1,657	701	22,890
Total expenses	\$ 87,779	\$ 85,121	\$ 164,228	\$ 115,694	\$ 452,822	\$ 50,324	\$ 20,303	\$ 54,362	\$ 577,811

See notes to financial statements.

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

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2018

Cash flows from operating activities	
Changes in net assets	\$ (85,727)
Adjustments to reconcile changes in net assets to net cash used in operating activities	
Net unrealized loss on investments	648
Discount on pledge receivable	(6,750)
Changes in operating assets in liabilities	
Pledge receivable	90,166
Accounts payable	1,856
Deferred revenue	(9,615)
<hr/> Net cash used in operating activities	<hr/> (9,422)
 Net decrease in cash	 (9,422)
Cash, beginning of year	388,018
<hr/> Cash, end of year	<hr/> \$ 378,596

See notes to financial statements.

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

NOTES TO FINANCIAL STATEMENTS

1 - DESCRIPTION OF ORGANIZATION

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. The Organization has been successful through their multi-pronged community doorstep approach taking prevention to where people live, learn and work in India, implementing effective, low-cost prevention programs with a broad reach (\$0.5/person to educate; \$6/person for impact). The Organization has programs for different life stages to reinforce our healthy living messages.

To date, the Organization has reached more than 3 million people through their programs and estimates to have improved the health behaviors of more than 250,000. The Organization's goal is to help 1 million people lead healthy lives by 2020.

India is a key country of focus because of its alarmingly high NCD disease burden – 20% of the population has one NCD, 10% with more than one, and 50% of the population dies from NCDs. The Organization has four major areas of focus:

- **mHealth:** The Organization's mDiabetes Program has now expanded to 300,000 consumers in South India in partnering with Aravind Eye Hospitals, and supported by the Hans Foundation. The Organization also started its first US-based pilot program, mDiabetes text messaging program, amongst South Asians. **mHealth 2.0** is the second phase of the Organization's mobile Health program. With support from Cigna, the Organization developed a mobile app called myArogya, on Android and iOS phones, designed as a one-stop shop for chronic disease prevention for working Indians. In addition to diabetes, the app also included messages on heart disease, stroke, and kidney disease awareness and prevention and had food and activity trackers to help consumers on their health journey. The study of its effectiveness was conducted by the Madras Diabetes Research Foundation and the study results have been accepted for publication in 2019. From lessons learned through the Organization's initial mobile app, the Organization has partnered with Goqii to offer a state of the art mobile app for working Indians. Through a partnership with National Institute of Mental Health & Neurosciences (NIMHANS) in India, the Organization also developed mental health text messages.

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

NOTES TO FINANCIAL STATEMENTS

1 - DESCRIPTION OF ORGANIZATION(Continued)

Organization and Nature of Activities (Continued)

- **Healthy Workplaces** is a 2013 Clinton Global Initiative Commitment from Arogya World where the Organization has worked with companies in India to earn recognition as Healthy Workplaces (Bronze, Silver and Gold levels) according to criteria the Organization co-created with industry in 2012. By shaping the culture of companies, the Organization is helping employees lead healthy lives through a workplace no-tobacco-use policy; easy access to healthy foods and opportunities for physical activity; plus work-life balance and leadership endorsement. The Organization designed the new Platinum Level, with stringent metrics, for select Gold level companies. The total number of Healthy Workplaces that the global health non-profit has recognized through 2018 is 116 companies, with a total workforce of approximately 2.5 million. Importantly, one of the world's largest employers, Indian Railways, with an employee strength of 1.3 million, is one of the Organization's Healthy Workplaces. The Organization has 29 Platinum Level companies, totaling 750,000 employees, tracking employee health data. Promising health trends over the last two years showed improved blood pressure and cholesterol measurements, smoking decreased by 28% and a significant increase of 48% in employees who exercised regularly three to five times a week. The Organization partnered with NIMHANS to develop stress management and mental health intervention messages for the Organization's Healthy Workplace Companies as part of the mobile app. The Organization also produced case studies of companies implementing noteworthy mental health programs.

- **Women and Children:** This includes the Organization's Healthy Schools and My Thali programs.

Healthy Schools is Arogya World's first program educated over 100,000 children by the end of 2018. This is a 2-year program designed to teach middle school children the basics of healthy eating and physical activity, before their lifestyle habits are set, with the goal of preventing diabetes. Results from the Organization's pilot program demonstrated 15% positive impact and current field efforts are showing similar trends. This program is part of the Organization's Commitment to the UN's Every Woman, Every Child Initiative, an unprecedented effort to improve the health of women and children everywhere. The Organization has already met that commitment to reach and teach 10,000 children with the Organization's Healthy Schools program by 2019. From the initial pilot program in Delhi a few years ago, the Organization is proud to now be in eight Indian states, working with implementing partners which include Agastya Foundation, HRIDAY, SHARP and Ashoka's Nourishing Schools Program. Importantly, the Organization is able to demonstrate that the Healthy Schools program can be successfully scaled, and the goal is to educate 1 million children by 2020 and 2.5 million children by 2022.

AROGYA, INC.
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NOTES TO FINANCIAL STATEMENTS

1 - DESCRIPTION OF ORGANIZATION (Continued)

Organization and Nature of Activities (Continued)

My Thali is a program started in 2015 to empower women to steer their families to healthy living. The Organization invited experts from several organizations to New Delhi to discuss and develop MyThali, a new nutritional icon (similar to “My Plate” in the US) based on the National Institute of Nutrition (NIN) guidelines for India. In 2016, with the help of a nutritional consultant, technical calculations were used to develop an accurate picture of My Thali, which is now completed. This teaches people what to eat and in what quantities at each meal. The Organization launched MyThali in 45 Healthy Workplaces in 2018 with the help of a US-based Cigna employee, who supported the program for 3 months as a Cigna Community Ambassador. The Organization consumer tested and designed flyers, posters and website content and has begun to promote MyThali in workplaces and has initiated impact assessment.

- **Global Advocacy and Awareness:** The Organization held a multi-stakeholder consultation, Salt Summit, on salt reduction approaches that might work in India. This was followed up by a white paper. The Organization created case studies that were included in the Global Health Council briefing book to show examples to the U.S. government of NCD programs that are working: *Healthy Schools and mDiabetes*. The Organization helped plan a side event “Women and NCDs: Debunking Myths and Taking Action” at the UN during the 61st session of the Commission on the Status of Women. This event, hosted by the Taskforce on Women & NCDs, issued a global Call to Action that demanded worldwide recognition of the health of women and girls as a social justice issue. Addressing mental health as an NCD has become increasingly important. The Organization was invited to participate in a conference, hosted by OneMind Initiative in Napa, focused on why companies and business leaders must make it a priority to tackle mental health in the workplace. The Organization presented case studies on approaches and programs on mental health from 2 pioneering Healthy Workplaces in India: Wipro and Reliance. The Organization continues to receive invitations to share their rich survey data on the impact of NCDs on women’s everyday lives based on the Organization’s *10,000 Global Women’s NCD Impact Survey* and continues to leverage this data to work with thought-leaders and policy makers to move governments into action.

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements reflect the accounts of the Organization and have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (US GAAP).

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

NOTES TO FINANCIAL STATEMENTS

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

In August 2016, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*, which is intended to improve how a not-for-profit entity classifies its net assets, as well as the information it presents in its financial statements about its liquidity and availability of resources, expenses and investment returns, and cash flows. The guidance replaces the three classes of net assets previously presented on the statement of financial position with two new classes of net assets, which are based on the existence or absence of donor-imposed restrictions. ASU No. 2016-14 includes specific disclosure requirements intended to improve a financial statement user’s ability to assess an entity’s available financial resources, along with its management of liquidity and liquidity risk. The Organization has adopted ASU 2016-14 for its fiscal year ended December 31, 2018 and has applied the amendments retrospectively to January 1, 2018 to the financial statements and related footnotes.

The provisions of ASU 2016-14 improve presentation and disclosure to provide more relevant information about resources and changes in resources to donors, grantors and other users. There are qualitative and quantitative requirements in several areas including the following:

Temporarily and permanently restricted net asset classes have been combined into a single net asset class called net assets with donor restriction. The unrestricted net asset class has been renamed net assets without donor restrictions. The chart below illustrates the impact, caused by adopting ASU No. 2016-14, on classifications of January 1, 2018 net asset balances as follows:

	Opening net assets classification for ASU No. 2016-14			
	Without donor restrictions	With donor restrictions		Total Net Assets
As previously presented:				
Unrestricted	\$ 225,187	\$ -		\$ 225,187
Temporarily restricted	-	301,406		301,406
Net assets, as reclassified	\$ 225,187	\$ 301,406		\$ 526,593

The financial statements also include a disclosure about liquidity and availability of resources (see Note 3).

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

NOTES TO FINANCIAL STATEMENTS

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets

Net assets, revenues, and other support are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor restrictions. From time to time the Board of Directors may designate a portion of these net assets for specific purposes which makes them unavailable for use at management’s discretion. The Organization has no board designated net assets as of December 31, 2018.

Net Assets With Donor Restrictions – Net assets subject to donor-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 or purposes specified by the donor. Other donor-imposed restrictions are permanent in nature, where the donor stipulates that such resources be maintained in perpetuity. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

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.

Pledge Receivable

Contributions receivable are stated at the amount management expects to collect from balances outstanding at year end. The Organization’s management has determined that these pledges are fully collectible; therefore, no allowance for uncollectible pledges is considered necessary at December 31, 2018.

Investments

Investments in equity securities with readily determinable fair values are measured at fair value in the statement of financial position. Investment income or loss (including realized and unrealized gains and losses on investments, interest and dividends) is reported as increases or decreases in unrestricted net assets in the reporting period.

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

NOTES TO FINANCIAL STATEMENTS

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 with donor restrictions or without donor restrictions depending on the existence and/or nature of any donor restrictions. Grants and contributions are recorded upon receipt of notification. All contributions are considered available for unrestricted use unless specifically restricted by donor request.

When a donor 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 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 as without restriction.

Functional Allocation of Expenses

The costs of providing program and supporting services have been summarized on a functional basis in the accompanying statement of functional expenses. The Organization incurs expenses that directly relate to, and can be assigned to, a specific program or supporting activity. The Organization also conducts a number of activities which benefit both its program objectives as well as supporting services (i.e. development and general and administrative). These costs, which are not specifically attributable to a specific program or supporting activity, are allocated by management on a consistent basis among program and supporting services benefited. All expenses are allocated based on the estimates of time and effort incurred by personnel.

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.

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

NOTES TO FINANCIAL STATEMENTS

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Donated Services (Continued)

The Organization recorded \$192,128 of in-kind contributions for time (salary) donated by Board members fulfilling the roles of Chief Executive Officer and Chief Financial Officer and for other professional services rendered during the year ended December 31, 2018. Additionally, the Chief Executive Officer and others personally paid \$37,600 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.

3 - LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization's financial assets available within one year of the statement of financial position date for general expenditure as of December 31, 2018 are as follows:

Cash	\$	378,596
Pledge receivable		87,306
Investment		2,114
Total financial assets available within one year		468,016
Less:		
Amounts unavailable for general expenditures within one year, due to:		
Restricted by donor with purpose restrictions		(238,834)
Total financial assets available to management for general expenditure within one year		\$ 229,182

The Organization's financial assets available to meet cash needs for general expenditures within one year represents funding for ongoing operational requirements and planned increases in program expenditures in fiscal year 2019.

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

NOTES TO FINANCIAL STATEMENTS

3 - LIQUIDITY AND AVAILABILITY OF RESOURCES (Continued)

Liquidity Management

The Organization has a liquidity policy to maintain an adequate level of cash to meet on-going operational requirements. The policy sets forth that excess cash based on the financial needs of the Organization, is maintained in a savings account which is available for short-term cash needs. Separate

4 - PLEDGE RECEIVABLE

The Organization records unconditional promises to give when received. During the year ended December 31, 2017, the Organization received a contribution with multiple year payment terms. This receivable was recorded at its present value using a discount rate of 4.5%.

Gross unconditional promises to give	\$ 90,260
Less unamortized discount	(2,954)
	<hr/>
	\$ 87,306
	<hr/>
Amounts due	
Within one year	\$ 90,260
	<hr/>

Remaining long-term assessments were discounted to their present value assuming their respective terms using a discount rate based on date pledged or assessed, compounded annually.

5 - INVESTMENTS

Investments, stated at fair market value, consist of a large cap equity mutual fund of \$2,114 as of December 31, 2018.

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

NOTES TO FINANCIAL STATEMENTS

6 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at December 31, 2018 are restricted for the following purposes:

Subject to expenditure for specified purposes		
Healthy Schools	\$	47,686
Healthy Workplace Platinum Award		4,224
mHealth		6,855
My Thali		41,887
RIST (Hans Foundation) Healthy Schools		3,188
RIST (Hans Foundation) mDiabetes		123,930
US Healthy Communities		11,064
	\$	238,834

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes, by the expiration of a time restriction, or by occurrence of other events specified by donors.

Purpose restrictions accomplished		
Global Advocacy	\$	3,305
Healthy Schools		13,235
Healthy Workplace		12,403
Healthy Workplace Platinum Award		2,003
mHealth		16,718
My Thali		23,224
RIST (Hans Foundation) Healthy Schools		77,249
RIST (Hans Foundation) mDiabetes		21,584
US Healthy Communities		7,207
	\$	176,928

7 - FAIR VALUE MEASUREMENTS

US GAAP defines fair value, provides guidance for measuring fair value and requires certain disclosures. US GAAP discusses valuation techniques, such as the market approach (comparable market prices), the income approach (present value of future income or cash flow) and the cost approach (cost to replace the service capacity of an asset or replacement cost).

AROGYA, INC.
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NOTES TO FINANCIAL STATEMENTS

7 - FAIR VALUE MEASUREMENTS (Continued)

US GAAP provides for a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The following is a brief description of those three levels:

- Level 1: Observable inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in markets that are not active.
- Level 3: Unobservable inputs that reflect management's own assumptions.

The following is a description of the valuation methodologies used for the investments measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy, as applicable.

Mutual fund – Valued at the daily closing price as reported by the mutual fund. The mutual fund held by the Organization is registered with the Securities and Exchange Commission. The mutual fund is required to publish its daily net asset value (NAV) and to transact at that price. The mutual fund held by the Plan is deemed to be actively traded.

The following table summarizes investment assets measured at fair value:

	December 31, 2018	
	Level 1	Total
Large cap equity mutual fund	\$ 2,114	\$ 2,114

AROGYA, INC.
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NOTES TO FINANCIAL STATEMENTS

8 - GRANT COMMITMENT

The Organization has agreements with outside organizations through their Healthy Schools program. These agreements provide support over multiple years pending all the requirements are met. Grant expense for the year ended December 31, 2018 was \$73,990. Future minimum payments required under the agreements are as follows:

Years Ending December 31,	
2019	\$ 102,319
2020	28,000
2021	6,000
	<hr/>
	\$ 136,319

9 - RELATED PARTY TRANSACTIONS

During the year ended December 31, 2018, approximately 29% of grants and contributions revenue was received from one board member. Contributions from board members are utilized to fund primarily all general and administrative and development costs. Contributions from outside donors are utilized to fund program costs.

10 - CONCENTRATION OF CREDIT RISK

Cash

The Organization maintains its cash in bank accounts which, at times, may exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per institution. FDIC uninsured cash balances at December 31, 2018 totaled approximately \$68,000.

Contributions and Accounts Receivable

During the year ended December 31, 2018, approximately 45% of grants and contributions revenue was received from two donors. One of those donors accounted for 100% of the total pledge receivable at December 31, 2018.

11 - 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. 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.

AROGYA, INC.
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NOTES TO FINANCIAL STATEMENTS

12 - SUBSEQUENT EVENTS

The Organization has evaluated events and transactions for potential recognition or disclosure in the financial statements through November 13, 2019, the date on which the financial statements were available to be issued.