

INDIA DEVELOPMENT AND RELIEF FUND, INC.

**AUDITED FINANCIAL STATEMENTS
AND
SUPPLEMENTARY FINANCIAL INFORMATION**

YEAR ENDED DECEMBER 31, 2019

INDIA DEVELOPMENT AND RELIEF FUND, INC.

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AND
SUPPLEMENTARY FINANCIAL INFORMATION**

YEAR ENDED DECEMBER 31, 2019

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Desai & Shah, PC, CPAs
Established In 1981

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
India Development and Relief Fund, Inc.

We have audited the accompanying financial statements of India Development and Relief Fund, Inc., (IDRF) (a nonprofit organization) which comprise the statement of financial position as of December 31, 2019, and the related statements of activities and changes in net assets, 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 amount and disclosures in the financial statements. The procedures selected depend on the auditors' 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 auditors consider internal control relevant to the entity'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 effectiveness of the entity'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 India Development and Relief Fund, Inc. as of December 31, 2019, 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on page 6 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Dwain A. Blal PC CPA's

September 23, 2020

INDIA DEVELOPMENT AND RELIEF FUND, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2019

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$	<u>2,564,553</u>	
Total Current Assets			\$ 2,564,553

FIXED ASSETS

Equipment	7,831	
Less: Accumulated Depreciation	<u>(6,774)</u>	
Total Fixed Assets		1,057

Total Assets		<u><u>\$ 2,565,610</u></u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Payroll Liabilities	\$	<u>2,941</u>	
Total Current Liabilities			\$ 2,941

NET ASSETS

Net Assets without Donor Restrictions	1,442,869	
Net Assets with Donor Restrictions- Note 3	<u>1,119,800</u>	
Total Net Assets		2,562,669

Total Net Assets		<u><u>\$ 2,565,610</u></u>
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INDIA DEVELOPMENT AND RELIEF FUND, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUE			
Contribution Income	\$ 578,687	\$ 1,422,160	\$ 2,000,847
Investment Income	30,784	-	30,784
Total Support and Revenue	<u>609,471</u>	<u>1,422,160</u>	<u>2,031,631</u>
EXPENSES			
Grants	<u>327,638</u>	<u>1,165,494</u>	<u>1,493,132</u>
Total Program Services	327,638	1,165,494	1,493,132
Functional Expenses			
Management and General	83,673	-	83,673
Fund Raising	14,233	-	14,233
Total Functional Expenses	<u>97,906</u>	<u>-</u>	<u>97,906</u>
Total Expenses	<u>425,544</u>	<u>1,165,494</u>	<u>1,591,038</u>
Increase in Net Assets	183,927	256,666	440,593
Net Assets - Beginning of Year	1,258,262	863,134	2,121,396
Unrealized Gain	<u>680</u>	<u>-</u>	<u>680</u>
Net Assets - End of Year	<u>\$ 1,442,869</u>	<u>\$ 1,119,800</u>	<u>\$ 2,562,669</u>

See Auditors' Report and Accompanying Notes to Financial Statements

INDIA DEVELOPMENT AND RELIEF FUND, INC.
STATEMENT OF FUNCTIONAL EXPENSES
(SUPPLEMENTARY FINANCIAL INFORMATION)
FOR THE YEAR ENDED DECEMBER 31, 2019

	Management and General	Fund- Raising	Total
Accounting & Payroll	\$ 7,250	\$ -	\$ 7,250
Advertising		-	-
Bank Charges	786	2,720	3,506
Depreciation	628		628
Dues & Subscriptions	960	-	960
General & Administrative-Other	492		492
Outside Services	31,154	9,194	40,348
Insurance	70	-	70
Legal Expenses	900	-	900
Postage & Shipping	118	50	168
Printing and Reproduction	1,064	1,856	2,920
Salary Expense	36,272		36,272
Telephone & Internet	796	259	1,055
Taxes (Payroll)	2,775		2,775
Travel & Meals	-	62	62
Utilities	408	92	500
Total Functional Expenses	\$ 83,673	\$ 14,233	\$ 97,906

INDIA DEVELOPMENT AND RELIEF FUND, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019

CASH FLOWS FROM OPERATING ACTIVITIES

Increase in net assets		\$ 440,593
Adjustments to Reconcile Increase in Net Assets to Net Cash provided by Operating Activities		
Depreciation	\$ 628	
Increase in Accounts Payable	2,941	
Net unrealized gain	680	
Total Adjustments		<u>4,249</u>
Net Cash Provided by Operating Activities		<u>444,842</u>

INCREASE IN CASH AND CASH EQUIVALENTS

		444,842
Cash and Cash Equivalents - Beginning of the Year		<u>2,119,711</u>
Cash and Cash Equivalents - End of the Year		<u><u>\$ 2,564,553</u></u>

SUPPLEMENTAL INFORMATION:

Noncash investing activities:

Gift of paid up life insurance cash surrender value		\$ 680
Interest paid		\$ 0

INDIA DEVELOPMENT AND RELIEF FUND, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 1: NATURE OF ACTIVITIES & SIGNIFICANT ACCOUNTING POLICIES

India Development and Relief Fund, Inc ("IDRF") was established by Dr. Vinod Prakash and other members of the Board, as a nonprofit organization, in the state of Maryland in 1987. In 1988, IDRF was approved by the Internal Revenue Service as a tax-exempt organization under Section 501(c) (3) of the Internal Revenue Code. The organization aims to help the needy, disabled, underprivileged or impoverished people mainly in India, and, only to a limited extent in Nepal, Sri Lanka and United States, to become self-reliant and modernized, yet rooted in the culture and civilization of their respective countries, by raising tax-exempt contributions in the United States. The organization prepares its financial statements in conformity with generally accepted accounting principles.

These objectives are achieved through various types of assistance, including but not limited to: (a) value-based education and vocational training for children and adults; (b) health care; (c) eco-friendly rural development and environmental protection; (d) women's empowerment through micro-credit and other means; (e) tools for improving governance; and (f) relief and rehabilitation of victims of natural or man-made disasters.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Concentration of Credit Risk Arising from Cash Deposits

The Organization's cash funds are located in various financial institutions. The amount of deposits as of December 31, 2019, in bank account, per bank record is \$2,033,188 which is in excess of FDIC insurance limit of \$250,000.

Property and Equipment

Purchased property and equipment is recorded at cost. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support.

Depreciation, Repairs and Maintenance

Depreciation is calculated using the double declining method over the estimated useful lives of the assets. Expenditures for maintenance and repairs are charged to expenses as incurred. Major renewals and betterments are capitalized. When equipment is sold or retired the related cost and accumulated depreciation are removed from the accounts, and the resulting gain or loss is included in the statement of activities.

INDIA DEVELOPMENT AND RELIEF FUND, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Contributions

Contributions received are recorded as without donor restrictions and with donor restrictions support, depending on the existence and/or nature of any donor restrictions.

Promise to Give

Support is recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Support that is restricted by the donor is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires, net assets with donor restrictions are reclassified as net assets without donor restrictions. Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors. As of December 31, 2019, net assets with donor restrictions were \$1,119,800.

Allocation of Expenses

The Organization allocates its expenses on a functional basis among its various programs and supporting services. Expenses which can be identified with a specific program or supporting activity are allocated directly to that activity. Other expenses that are common to several functions are allocated between supporting services and fund raising.

Income Taxes

The Organization is exempt from the income taxes under Section 501(c) (3) of the Internal Revenue Code and is classified by the Internal Revenue Service as an organization that is not a private foundation. Accordingly, no provision has been made for income taxes in the financial statements. Also, as of December 31, 2019, the company had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. Additionally, the company had no interest and penalties related to income taxes. The company is no longer subject to U.S. federal, state and local income tax examinations by tax authorities for years before 2016.

NOTE 2: LIQUIDITY OF ASSETS AND LIABILITIES

The following reflects The Organization's financial assets as of December 31, 2019, reduced by amounts not available for general use because of donor imposed restrictions within one year of the balance sheet date.

Financials assets, at 12/31/2019	\$ 2,565,610
Less those unavailable for general expenditures within one year, due to:	
Donor imposed restrictions	<u>(1,119,800)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,445,810</u>

The Organization is substantially supported by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in future period, the organization must maintain sufficient resources to meet those responsibilities to its donors.

Thus, financial assets may not be available for general expenditures within one year. As of organization's liquidity management, it has adopted a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

NOTE 3: RESTRICTIONS ON NET ASSETS

Net assets with donor restrictions as of December 31, 2019, are \$1,119,800 and they are available for Donor Advised - Development Projects (India).

NOTE 4: SUSEQUENT EVENTS

Management has evaluated subsequent events through September 23, 2020, the date the financial statements were available to be issued. No significant subsequent events have been identified that would require adjustments to, or disclosure in, the accompanying financial statements.

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic, which continues to spread throughout the United States of America. The company adjusted certain aspects of their operations to protect their employees and customers while meeting customers' needs. As a result, while the disruption is currently assumed to be temporary, there is uncertainty around the duration.

The duration of any business disruption and related financial impact of revenue cannot be reasonably estimated at this time but may materially affect the Organization's operations. The extent to which the coronavirus pandemic may impact the Organization's operating results, financial condition, and cash flows will depend on the future developments, which are highly uncertain and cannot be predicted at this time, including new information that may emerge concerning the severity of the coronavirus and steps taken to contain the coronavirus or treat its impact, among others.