

**ARCHIVE Global**

**FINANCIAL STATEMENTS**

December 31, 2014 and 2013

ARCHIVE Global  
New York, New York

FINANCIAL STATEMENTS

December 31, 2014 and 2013

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## INDEPENDENT AUDITOR'S REPORT

The Board of Directors  
ARCHIVE Global  
New York, New York

**Report on the Financial Statements**

We have audited the accompanying financial statements of ARCHIVE Global, which comprise the statements of financial position as of December 31, 2014 and 2013, and the related statements of activities, functional expenses and cash flows for the years 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.

***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 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 the 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.

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(Continued)

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ARCHIVE Global as of December 31, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Crowe Horwath LLP*  
Crowe Horwath LLP

New York, New York  
May 26, 2015

ARCHIVE Global  
STATEMENTS OF FINANCIAL POSITION  
December 31, 2014 and 2013

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<b>Assets</b>	2014	2013
Cash and cash equivalents	\$ 180,410	\$ 174,137
Prepaid expenses	720	1,000
Other assets	<u>-</u>	<u>1,470</u>
 Total assets	 <u>\$ 181,130</u>	 <u>\$ 176,607</u>
 <b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 59,330	\$ 62,045
 <b>Net assets</b>		
Unrestricted	25,761	16,391
Temporarily restricted	<u>96,039</u>	<u>98,171</u>
 Total net assets	 <u>121,800</u>	 <u>114,562</u>
 Total liabilities and net assets	 <u>\$ 181,130</u>	 <u>\$ 176,607</u>

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See accompanying notes to financial statements

ARCHIVE Global  
 STATEMENT OF ACTIVITIES  
 Year ended December 31, 2014, with comparative 2013 totals

	2014			2013
	Unrestricted	Temporarily Restricted	Total	
<b>Revenue and other support</b>				
Grants	\$ -	\$ 339,760	\$ 339,760	\$ 164,310
Contributions	23,010	-	23,010	20,204
Proceeds from fund raisers, net of direct benefit costs	4,197	-	4,197	6,152
Net assets released from restrictions	<u>341,892</u>	<u>(341,892)</u>	<u>-</u>	<u>-</u>
Total revenue and other support	369,099	(2,132)	366,967	190,666
<b>Expenses</b>				
Program services	307,916	-	307,916	342,330
Supporting services	<u>59,290</u>	<u>-</u>	<u>59,290</u>	<u>52,861</u>
Total expenses	367,206	-	367,206	395,191
<b>Other income</b>				
Interest and other income	<u>7,477</u>	<u>-</u>	<u>7,477</u>	<u>427</u>
Changes in net assets	9,370	(2,132)	7,238	(204,098)
Net assets, beginning	<u>16,391</u>	<u>98,171</u>	<u>114,562</u>	<u>318,660</u>
Net assets, ending	<u>\$ 25,761</u>	<u>\$ 96,039</u>	<u>\$ 121,800</u>	<u>\$ 114,562</u>

See accompanying notes to financial statements

ARCHIVE Global  
STATEMENT OF ACTIVITIES  
Year ended December 31, 2013

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	Unrestricted	Temporarily Restricted	Total
<b>Revenue and other support</b>			
Grants	\$ -	\$ 164,310	\$ 164,310
Contributions	20,204	-	20,204
Proceeds from fund raisers, net of direct benefit costs	6,152	-	6,152
Net assets released from restrictions	358,761	(358,761)	-
 Total revenue and other support	 385,117	 (194,451)	 190,666
<b>Expenses</b>			
Program services	342,330	-	342,330
Supporting services	52,861	-	52,861
 Total expenses	 395,191	 -	 395,191
<b>Other income</b>			
Interest and other income	427	-	427
 Changes in net assets	 (9,647)	 (194,451)	 (204,098)
Net assets, beginning	26,038	292,622	318,660
Net assets, ending	\$ 16,391	\$ 98,171	\$ 114,562

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See accompanying notes to financial statements

ARCHIVE Global  
 STATEMENTS OF FUNCTIONAL EXPENSES  
 Year ended December 31, 2014, with comparative 2013 totals

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	<u>Housing and Health Programs</u>	<u>Management and General</u>	<u>2014 Total</u>	<u>2013 Total</u>
Project partners	\$ 125,404	\$ 285	\$ 125,689	\$ 195,110
Salaries and wages	102,941	13,794	116,735	85,430
Professional services and consultants	42,204	21,308	63,512	56,723
Travel	11,587	11,133	22,720	21,953
Transportation	4,337	706	5,043	3,068
Food and beverage	1,593	531	2,124	2,403
Rent	15,069	5,023	20,092	15,313
Insurance	801	4,204	5,005	4,103
IT costs	477	347	824	3,594
Supplies and materials	893	249	1,142	5,265
Utilities	1,898	134	2,032	1,709
Miscellaneous	712	1,576	2,288	520
	<u>\$ 307,916</u>	<u>\$ 59,290</u>	<u>\$ 367,206</u>	<u>\$ 395,191</u>

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See accompanying notes to financial statements



ARCHIVE Global  
STATEMENT OF FUNCTIONAL EXPENSES  
Year ended December 31, 2013

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	Housing and Health Programs	Management and General	2013 Total
Project partners	\$ 195,110	\$ -	\$ 195,110
Salaries and wages	58,486	26,944	85,430
Professional services and consultants	44,448	12,275	56,723
Travel	16,465	5,488	21,953
Transportation	2,301	767	3,068
Food and beverage	1,802	601	2,403
Rent	11,485	3,828	15,313
Insurance	3,077	1,026	4,103
IT costs	2,695	899	3,594
Supplies and materials	5,076	189	5,265
Utilities	1,282	427	1,709
Miscellaneous	103	417	520
	<u>\$ 342,330</u>	<u>\$ 52,861</u>	<u>\$ 395,191</u>

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See accompanying notes to financial statements

ARCHIVE Global  
 STATEMENTS OF CASH FLOWS  
 Years ended December 31, 2014 and 2013

	2014	2013
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 7,238	\$ (204,098)
Adjustments to reconcile increase in net assets to net cash provided in operating activities		
Changes in assets and liabilities		
Prepaid expenses	280	(1,000)
Other assets	1,470	(1,470)
Accounts payable and accrued expenses	<u>(2,715)</u>	<u>62,045</u>
Net cash provided by (used in) operating activities	6,273	(144,523)
<b>Cash flows from financing activities</b>		
Repayment of loan to executive director	<u>-</u>	<u>4,000</u>
Net cash provided by financing activities	-	4,000
<b>Net increase (decrease) in cash and cash equivalents</b>	6,273	(140,523)
<b>Cash and cash equivalents at beginning of year</b>	<u>174,137</u>	<u>314,660</u>
<b>Cash and cash equivalents at end of year</b>	<u><u>\$ 180,410</u></u>	<u><u>\$ 174,137</u></u>

See accompanying notes to financial statements

ARCHIVE Global  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2014 and 2013

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**NOTE 1 - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

ARCHIVE Global (Organization) was organized in 2006 as The ARCHIVE Institute, a New Jersey nonprofit corporation, for charitable purposes and conducts research aimed at increasing awareness of how the built environment contributes to disease both in the developing and developed world. The Organization's primary goal is to promote an integrated, systems approach to housing and health and through its projects hopes to influence policy and pioneer impact investment.

The Organization receives support from four sources. Grants from charitable foundations are a primary revenue stream. Contributions and donations-in-kind from individuals and corporations are significant revenue sources. Public sector funds provide additional program-specific support.

Financial Statement Presentation: The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (US GAAP). The Organization reports its financial position and activities according to three classes of assets as follows:

- Unrestricted net assets, which represent net assets of the Organization which are expendable for carrying on the Organization's operations and are not subject to any donor-imposed stipulations.
- Temporarily restricted net assets, which represent net assets restricted by the donor, grantor, or other outside party for a specific purpose or until the passage of time.
- Permanently restricted net assets, which represent net assets that are subject to restriction by gift instruments requiring that the principal be invested in perpetuity and only the income be expended, or assets donated with the provision that they not be sold.

Contributions: Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Cash and Cash Equivalents: The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Functional Allocation of Expenses: The costs of providing the various programs and supporting services have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated between the programs and supporting services.

Income Taxes: The Organization is exempt from income taxes on income from related activities under Section 501(c)(3) of the U.S. Internal Revenue Code and corresponding state tax law. Accordingly, no provision has been made for federal or state income taxes.

U.S. GAAP prescribes recognition thresholds and measurement attributes for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Tax benefits will be recognized only if the tax position is more-likely-than-not sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized will be the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the more-likely-than-not test, no tax benefit will be recorded. Management has concluded that they are unaware of any tax benefits or liabilities to be recognized at December 31, 2014 and 2013.

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**NOTE 1 - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES** (Continued)

The Organization does not expect the total amount of unrecognized tax benefits to significantly change in the next 12 months.

The Organization would recognize interest and penalties related to unrecognized tax benefits in interest and income tax expense, respectively. The Organization has no amounts accrued for interest or penalties as of December 31, 2014 and 2013.

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

Donated Services and In-Kind Contributions: Contributions of services are recognized if the services received (a) create or enhance non-financial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. During the years ended December 31, 2014 and 2013, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. In addition, a substantial number of volunteers have donated significant amounts of their time in service to the Organization; however, no amounts have been reflected in the accompanying financial statements for the value of these donated services because they do not meet the recognition criteria.

**NOTE 2 - CONCENTRATION OF CREDIT RISK**

The Organization maintains bank accounts that are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Cash at these institutions may exceed federally insured limits.

**NOTE 3 - CONDITIONAL GRANT**

The Organization received a grant commitment during the year ended December 31, 2012 from a foundation for a total of up to 900,000 Swiss Francs. The grant will be paid through July 2015, as long as certain milestones and conditions are met by the Organization. As of December 31, 2014, 750,000 Swiss Francs totaling \$803,123 in US Dollars has been received. The grant amounts received have been recorded as temporarily restricted based on the donor restrictions related to the use of funds. The granted funds are restricted for specified projects in Cameroon and Haiti related to improving living conditions and health outcomes for individuals in those two countries, as well as up to 10% of the grant for administrative costs of the Organization.

Net assets of \$341,892 and \$358,761 were released from restriction during the year ended December 31, 2014 and 2013, respectively, based on the meeting the grant requirements for program service spending on international housing and health programs or meeting the restriction for use on administrative costs. At December 31, 2014 and 2013, all temporarily restricted net assets are related to the program restrictions of this grant.

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**NOTE 4 - RELATED PARTY**

The organization had \$4,000 of interest free loans receivable from the executive director of ARCHIVE Global at December 31, 2012, which was payable on demand. The loan was repaid in full during the year ended December 31, 2013.

**NOTE 5 - SUBSEQUENT EVENTS**

The Organization has performed an evaluation of subsequent events through May 26, 2015, which is the date the financial statements were available to be issued, and did not note any transaction that requires adjustments to, or disclosure in, the accompanying financial statements.