

**The Archive Institute a NJ nonprofit corporation
d/b/a Archive Global**

Financial Statements

December 31, 2017 and 2016

**The Archive Institute a NJ nonprofit corporation
d/b/a Archive Global**

Financial Statements

December 31, 2017 and 2016

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BERNSTEIN ROSEN & COMPANY, PC

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of
The Archive Institute a NJ nonprofit corporation
d/b/a Archive Global

We have reviewed the accompanying financial statements of The Archive Institute a NJ nonprofit corporation (a nonprofit organization) d/b/a Archive Global, which comprise the statement of financial position as of December 31, 2017, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of 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'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.

Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

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

Other Matter

The 2016 financial statements were reviewed by a predecessor accountant. The predecessor accountant issued an unqualified review report dated March 9, 2018. We were not engaged to audit, review, or apply any procedures to the 2016 financial statements of the Organization, and accordingly, we do not express an opinion or any other form of assurance on the 2016 financial statements as a whole.

Bernstein Rosen & Company, CPAs, PC

NEW YORK, NEW YORK
June 20, 2018

The Archive Institute a NJ nonprofit corporation
d/b/a Archive Global

Statements of Financial Position

December 31,

	<u>2017</u>	<u>2016</u>
<u>Assets</u>		
Assets		
Cash and cash equivalents	\$ 263,087	\$ 20,338
Total Assets	<u>\$ 263,087</u>	<u>\$ 20,338</u>
<u>Liabilities and Net Assets</u>		
Liabilities		
Accounts payable and accrued expenses	\$ 59,330	\$ 136,165
Total Liabilities	<u>59,330</u>	<u>136,165</u>
Net Assets		
Unrestricted	52,123	(78,236)
Temporarily restricted	<u>151,634</u>	<u>(37,591)</u>
Total Net Assets	<u>203,757</u>	<u>(115,827)</u>
Total Liabilities and Net Assets	<u>\$ 263,087</u>	<u>\$ 20,338</u>

See Independent Accountant's Review Report and accompanying notes to the financial statements.

**The Archive Institute a NJ nonprofit corporation
d/b/a Archive Global**

Statement of Activities

For the Year Ended December 31, 2017

Public Support and Revenue

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Contributions	\$ 161,131	\$ 376,611	\$ 537,742
Fundraising	-	9,930	9,930
Service income	3,560	-	3,560
Other income	497	-	497
Investment income	121	-	121
Net assets released from restrictions	<u>197,316</u>	<u>(197,316)</u>	<u>-</u>
 Total Public Support and Revenue	 <u>362,625</u>	 <u>189,225</u>	 <u>551,850</u>

Expenses

Program Services:			
Housing and health programs	<u>189,812</u>	<u>-</u>	<u>189,812</u>
 Total Program Services	 <u>189,812</u>	 <u>-</u>	 <u>189,812</u>
Supporting Services:			
Management and general	32,627	-	32,627
Fundraising	<u>9,827</u>	<u>-</u>	<u>9,827</u>
 Total Supporting Services	 <u>42,454</u>	 <u>-</u>	 <u>42,454</u>
 Total Expenses	 <u>232,266</u>	 <u>-</u>	 <u>232,266</u>
 Change in Net Assets	 130,359	 189,225	 319,584
Net Assets - beginning of year	<u>(78,236)</u>	<u>(37,591)</u>	<u>(115,827)</u>
Net Assets - end of year	<u>\$ 52,123</u>	<u>\$ 151,634</u>	<u>\$ 203,757</u>

See Independent Accountant's Review Report and accompanying notes to the financial statements.

**The Archive Institute a NJ nonprofit corporation
d/b/a Archive Global**

Statement of Activities

For the Year Ended December 31, 2016

Public Support and Revenue

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Contributions	\$ 41,361	\$ 9,854	\$ 51,215
Fundraising	10	-	10
Investment income	<u>9</u>	<u>2</u>	<u>11</u>
 Total Public Support and Revenue	 <u>41,380</u>	 <u>9,856</u>	 <u>51,236</u>

Expenses

Program Services:			
Housing and health programs	<u>32,385</u>	<u>7,251</u>	<u>39,636</u>
 Total Program Services	 <u>32,385</u>	 <u>7,251</u>	 <u>39,636</u>
Supporting Services:			
Management and general	<u>6,095</u>	<u>72,774</u>	<u>78,869</u>
 Total Supporting Services	 <u>6,095</u>	 <u>72,774</u>	 <u>78,869</u>
 Total Expenses	 <u>38,480</u>	 <u>80,025</u>	 <u>118,505</u>
 Change in Net Assets	 2,900	 (70,169)	 (67,269)
Net Assets - beginning of year	<u>(81,136)</u>	<u>32,578</u>	<u>(48,558)</u>
Net Assets - end of year	<u>\$ (78,236)</u>	<u>\$ (37,591)</u>	<u>\$ (115,827)</u>

See Independent Accountant's Review Report and accompanying notes to the financial statements.

**The Archive Institute a NJ nonprofit corporation
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Statement of Functional Expenses

For the Year Ended December 31, 2017

	<u>Program Services</u>	<u>Supporting Services</u>		
	<u>Housing and Health Programs</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries, benefits and taxes	\$ 99,581	\$ 2,040	\$ 5,885	\$ 107,506
Project Costs	57,997	-	-	57,997
Rent	13,600	3,400	-	17,000
Travel and Transportation	4,759	7,830	3,167	15,756
Volunteers	1,602	4,572	-	6,174
Professional Services and Consultants	1,346	3,573	-	4,919
Promotional/Fundraising	1,073	2,811	445	4,329
IT Equipment and Supplies	3,745	-	-	3,745
Lunch/Refreshments	-	3,321	-	3,321
Telephone/Internet	2,820	-	-	2,820
Insurance	-	1,889	-	1,889
Staff development	1,500	-	-	1,500
Team Meetings	-	1,475	-	1,475
Office Expense	602	616	34	1,252
Miscellaneous	-	700	-	700
Website Communications	713	178	-	891
Subscriptions	136	4	296	436
Bank fees	338	-	-	338
Governance	-	218	-	218
	<u>\$ 189,812</u>	<u>\$ 32,627</u>	<u>\$ 9,827</u>	<u>\$ 232,266</u>
Total Expenses	<u>\$ 189,812</u>	<u>\$ 32,627</u>	<u>\$ 9,827</u>	<u>\$ 232,266</u>

See Independent Accountant's Review Report and accompanying notes to the financial statements.

**The Archive Institute a NJ nonprofit corporation
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Statement of Functional Expenses

For the Year Ended December 31, 2016

	<u>Program Services</u>	<u>Supporting Services</u>		
	<u>Housing and Health Programs</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries, benefits and taxes	\$ 24,676	\$ 72,490	\$ -	\$ 97,166
Rent	3,487	1,163	-	4,650
Travel and Transportation	1,227	145	-	1,372
Volunteers	5,776	-	-	5,776
Professional Services and Consultants	1,000	2,160	-	3,160
Promotional/Fundraising	-	1,166	-	1,166
Insurance	-	936	-	936
Team Meetings	303	-	-	303
Office Expense	3,087	670	-	3,757
Miscellaneous	80	139	-	219
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Expenses	<u>\$ 39,636</u>	<u>\$ 78,869</u>	<u>\$ -</u>	<u>\$ 118,505</u>

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The Archive Institute a NJ nonprofit corporation
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Statements of Cash Flows

For the Years Ended December 31,

	<u>2017</u>	<u>2016</u>
<u>Cash Flows From Operating Activities:</u>		
Change in net assets	\$ 319,584	\$ (67,269)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
(Decrease) Increase in liabilities:		
Accounts payable and accrued expenses	<u>(76,835)</u>	<u>69,264</u>
Net Cash Flow Provided By Operating Activities	<u>242,749</u>	<u>1,995</u>
Net Increase in Cash and Cash Equivalents	242,749	1,995
Cash and Cash Equivalents - Beginning of Year	<u>20,338</u>	<u>18,343</u>
Cash and Cash Equivalents - End of Year	<u>\$ 263,087</u>	<u>\$ 20,338</u>

See Independent Accountant's Review Report and accompanying notes to the financial statements.

**The Archive Institute a NJ nonprofit corporation
d/b/a Archive Global**

Notes to the Financial Statements

December 31, 2017 and 2016

1. FORMATION AND DESCRIPTION OF ORGANIZATION

The Archive Institute a NJ nonprofit corporation d/b/a Archive Global (the "Organization") was incorporated in New Jersey in July 2006.

The Organization is an international charity prioritizing the use of housing as a central strategy for preventing illness and providing care among poor. The Organization's foremost goal is to improve health outcomes by delivering targeted housing design improvements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Presentation

The financial statements of the Organization are maintained on the accrual basis in accordance with accounting principles generally accepted in the United States of America (GAAP), as applicable to not-for-profit organizations.

Financial statement presentation follows the recommendations of ASC 958-205, *Presentation of Financial Statements*. Under ASC 958-205, the Organization is 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 based on designation of restriction.

Net Assets

Unrestricted net assets include funds having no restrictions as to use or purpose imposed by donors. Temporarily restricted net assets are those whose use has been limited by donors to a specific time period or purpose.

Permanently restricted net assets are subject to donor-imposed stipulation that they be maintained permanently by the organization. Generally, the donors permit the organization to use all of the income earned on only related investments. As of December 31, 2017, there was \$151,634 of temporarily restricted net assets and no permanently restricted net assets.

Use of Estimates

The preparation of financial statements in conformity with GAAP 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

Cash consists of demand deposit accounts held at major financial institutions. The Organization considers all highly liquid debt instruments with original maturities of three months or less when purchased to be cash equivalents.

**The Archive Institute a NJ nonprofit corporation
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Notes to the Financial Statements (Continued)

December 31, 2017 and 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash Credit Risk Concentration

The Organization maintains balances in banks which may exceed the limits covered by Federal Deposit Insurance Corporation ("FDIC") at certain times during the year.

Contributions and Contributions Receivable

Contributions received are recorded as unrestricted or temporarily restricted depending on the existence and/or nature of any donor restrictions. Contributions not subject to donor restrictions are reported as unrestricted support. Temporarily restricted support represents contributions that are restricted by the donor for various programs or time periods. Net assets restricted for programs are released from temporarily restricted net assets when programs costs are paid.

Contributions of donated noncash assets and services that meet the criteria for recognition in the financial statements are reflected as in-kind donations and are recorded at their fair values at the date of the receipt. In-kind donations are reflected as contributions on the statements of activities.

Contributions related to special events are recognized in the period that the event occurs.

Income Taxes and Uncertainties

The Organization is exempt from federal and state income taxes pursuant to Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal income tax has been recorded in the accompanying financial statements. However, any unrelated business income may be subject to taxation. Currently, the Organization has no obligation for any unrelated business income tax. Management believes that they will continue to be exempted from tax.

The Organization's policy is to record interest expense and penalties in operating expenses. For the years ended December 31, 2017 and 2016, there was no interest and penalties expense recorded and no accrued interest and penalties. The Organization's federal and state exempt status tax returns are open for examination for the years 2014, 2015, and 2016.

The Organization follows the provisions of ASC 740, *Accounting for Uncertainty in Income Taxes*, which addresses the accounting for, and disclosure of more likely than not for recognition and de-recognition of tax positions taken or expected to be taken in a tax return.

Functional Allocation of Expenses

The costs of providing the Organization's programs and other activities have been summarized on a functional basis in the statements of activities and the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**The Archive Institute a NJ nonprofit corporation
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Notes to the Financial Statements (Continued)

December 31, 2017 and 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Program Services

The organization's major programs include:

- Sanitation for Health in Delhi - a project aimed at improving health outcomes and standard of living among 55 families living in Aya Nagar in Southwestern Delhi.
- Swaziland - a project aimed at assisting the Clinton Health Access Initiative to implement a malaria prevention campaign using the built environment in Swaziland.
- Bangladesh - a project aimed at replacing 56 dirt floors with concrete floors, using an innovative, low-cost, and sustainable flooring design in Bangladesh.
- Namibia Technical Support - a project aimed at providing technical consultancy services to the Clinton Health Access Initiative to combat vector-borne illnesses in North Namibia.
- Pipeline - a project aimed for research and development for future projects.

Reclassification

Certain 2016 amounts have been reclassified to conform to the 2017 presentation.

3. TEMPORARILY RESTRICTED NET ASSETS

Net assets were released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors as followed:

	<u>2017</u>
Foundation 1	\$ 138,740
Global Health Corps	13,696
SELAVIP	34,950
Caring Crowd	<u>9,930</u>
 Total Restrictions Released	 \$ <u>197,316</u>

The ending fund balances for all programs are as follows:

	<u>2017</u>	<u>2016</u>
Foundation 1	\$ 151,634	\$ -
Other Programs	<u>-</u>	<u>(37,591)</u>
 Total Temporarily Restricted Net Assets	 \$ <u>151,634</u>	 \$ <u>(37,591)</u>

See Independent Accountant's Review Report

**The Archive Institute a NJ nonprofit corporation
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Notes to the Financial Statements (Continued)

December 31, 2017 and 2016

4. OCCUPANCY

The Organization rents space in New York, New York on a month-to-month basis. Rent expense was \$17,000 and \$4,650 for the years ended December 31, 2017 and 2016, respectively.

5. CONCENTRATIONS

As of December 31, 2017, 85% of the Organization's support was from one donor.

6. RECENT ACCOUNTING PRONOUCEMENTS

In August 2016, the FASB issued ASU No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 requires a not-for-profit entity to 1) present two classes of net assets at the end of the period, rather than for the currently required three classes, 2) present the amount of the change in each of the two classes of net assets rather than that of the currently required three classes, 3) no longer require the presentation or disclosure of the indirect method (reconciliation) if using the direct method, 4) provide various enhanced disclosures, 5) report investment return net of external and direct internal investment expenses and no longer require disclosure of those netted expenses and 6) use, in the absence of explicit donor stipulations, the placed-in-service approach for reporting expirations of restrictions on gifts of cash or other assets to be used to acquire or construct a long-lived asset and reclassify any amounts from net assets with donor restrictions to net assets without donor restrictions for such long-lived assets that have been placed in service as of the beginning of the period of adoption.

ASU 2016-14 is effective for annual financial statements issued for fiscal years beginning after December 15, 2017, and for interim periods within fiscal years beginning after December 15, 2018.

Early application is permitted, and the amendments should be applied on a retrospective basis. The Organization is currently in the process of assessing the impact that the adoption of ASU 2016-14 will have on its financial statements.

7. SUBSEQUENT EVENTS

The Organization has evaluated subsequent events and transactions for potential recognition of disclosure in the financial statements through June 20, 2018, the day the financial statements were available to be issued. No material subsequent events were identified.