

**INDIA GOSPEL LEAGUE, INC.
NORTH AMERICA
(a nonprofit organization)**

Financial Statements
December 31, 2020
With Summarized Comparative
Information for December 31, 2019

INDIA GOSPEL LEAGUE, INC. NORTH AMERICA

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DONOVAN, KLIMCZAK & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

REPORT OF INDEPENDENT AUDITORS

To the Board of Directors
India Gospel League, Inc. North America

We have audited the accompanying financial statements of India Gospel League, Inc. North America (a nonprofit organization), which comprise the statements of financial position as of December 31, 2020 and the related statements of activities 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.

Auditor's 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 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of India Gospel League, Inc. North America as of December 31, 2020, 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 taken as a whole. The 2020 supplemental schedule of net assets with donor restrictions is presented for purposes of additional analysis and are 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 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 to the financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited the India Gospel League, Inc. North America 2019 financial statements, and we have expressed an unmodified audit opinion on those audited financial statements and supplementary information in our report dated April 17, 2020. In our opinion, the summarized comparative information and supplementary information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Donovan, Klimczak and Company

Donovan, Klimczak and Company
Certified Public Accountants

April 21, 2021

INDIA GOSPEL LEAGUE, INC. NORTH AMERICA
Statements of Financial Position
December 31, 2020
With Summarized Comparative Information for December 31, 2019

	2020	2019
ASSETS		
Cash	\$ 1,396,021	\$ 627,453
Prepaid expenses and other assets	3,482	21,471
Property and equipment, net of depreciation	7,910	11,621
TOTAL ASSETS	\$ 1,407,413	\$ 660,545
LIABILITIES AND NET ASSETS		
Accounts payable and accrued expenses	\$ 3,066	\$ 576
Total Liabilities	3,066	576
Net assets		
Without donor restrictions	474,500	233,000
With donor restrictions	929,847	426,969
Total Net Assets	1,404,347	659,969
TOTAL LIABILITIES AND NET ASSETS	\$ 1,407,413	\$ 660,545

The accompanying notes are an integral part of these financial statements.

INDIA GOSPEL LEAGUE, INC. NORTH AMERICA
Statements of Activity
For The Year Ended December 31, 2020
With Summarized Comparative Information for the Year Ended December 31, 2019

	2020			2019 Totals
	Without Donor Restrictions	With Donor Restrictions	Total	
Public support and revenue				
Contributions	\$ 558,372	\$ 3,810,837	\$ 4,369,209	\$ 3,459,791
Interest income	25	-	25	1
Gain on Sale of Assets	(40)	-	(40)	34
Other income	68,200	-	68,200	-
Net assets released from restrictions	<u>3,307,959</u>	<u>(3,307,959)</u>	<u>-</u>	<u>-</u>
Total Public Support and Revenue	<u>3,934,516</u>	<u>502,878</u>	<u>4,437,394</u>	<u>3,459,826</u>
Expenses				
Program services	3,174,580	-	3,174,580	2,619,477
Management and general	367,238	-	367,238	437,322
Fundraising	<u>151,198</u>	<u>-</u>	<u>151,198</u>	<u>282,496</u>
Total Expenses	<u>3,693,016</u>	<u>-</u>	<u>3,693,016</u>	<u>3,339,295</u>
Change in Net Assets	241,500	502,878	744,378	120,531
Net assets, beginning of year	<u>233,000</u>	<u>426,969</u>	<u>659,969</u>	<u>539,438</u>
Net assets, end of year	<u>\$ 474,500</u>	<u>\$ 929,847</u>	<u>\$ 1,404,347</u>	<u>\$ 659,969</u>

The accompanying notes are an integral part of these financial statements.

INDIA GOSPEL LEAGUE, INC. NORTH AMERICA
Statements of Cash Flows
For The Year Ended December 31, 2020
With Summarized Comparative Information for Year Ended December 31, 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase(Decrease) in Net Assets	\$ 744,378	\$ 120,531
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	3,711	5,853
Changes in assets and liabilities:		
Prepaid expenses and other assets	17,989	(1,351)
Accounts payable and accrued expenses	2,490	(161)
NET CASH USED BY OPERATING ACTIVITIES	768,568	124,872
NET DECREASE INCREASE IN CASH	768,568	124,872
CASH AT BEGINNING OF THE YEAR	627,453	502,581
CASH AT END OF THE YEAR	\$ 1,396,021	\$ 627,453

The accompanying notes are an integral part of these financial statements.

INDIA GOSPEL LEAGUE
Statement of Functional Expenses
For The Year Ended December 31, 2020
With Summarized Comparative Information for the Year Ended December 31, 2019

	2020				2019
	Program Services	Management and General	Fundraising	Total	
Personnel Expenses					
Salaries	\$ 40,559	\$ 202,294	\$ -	\$ 242,853	\$ 234,661
Payroll taxes	4,781	23,847	-	28,628	28,345
Employee benefits	3,296	16,438	-	19,734	15,873
Total Personnel Expenses	48,636	242,579	-	291,215	278,879
Conferences	-	-	7,283	7,283	18,030
Depreciation	-	3,711	-	3,711	5,853
Grants to related party	3,063,861	-	-	3,063,861	2,412,994
Insurance	-	1,384	-	1,384	1,374
Meals and entertainment	-	113	-	113	8
Merchant fees	-	8,451	-	8,451	22,240
Miscellaneous	-	2,301	-	2,301	4,985
Office expense	5,974	31,897	-	37,871	95,252
Postage and delivery	-	10,540	8,393	18,933	12,838
Printing and copying	-	4,403	-	4,403	7,520
Professional fees	-	10,625	-	10,625	10,718
Publication and promotion	28,089	483	45,592	74,164	183,368
Regional field representatives	-	-	89,000	89,000	102,754
Rent	-	38,758	-	38,758	37,684
Seminars and meetings	-	-	-	-	1,421
Subscriptions and dues	-	2,395	-	2,395	1,896
Support trips to India	26,649	-	-	26,649	93,253
Telephone and communications	-	4,411	-	4,411	4,667
Training	-	-	-	-	250
Travel	1,371	1,418	930	3,719	38,514
Utilities	-	3,769	-	3,769	4,797
Total functional expenses	\$ 3,174,580	\$ 367,238	\$ 151,198	\$ 3,693,016	\$ 3,339,295

The accompanying notes are an integral part of these financial statements.

INDIA GOSPEL LEAGUE, INC. NORTH AMERICA
Notes to Financial Statements
December 31, 2020

With summarized comparative financial information for the year ended December 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

In 1994, India Gospel League, Inc. North America was established in the United States of America as a 501(c)(3) corporation for the purpose of promoting and funding the mission of India Gospel League in India; to plant and develop Christian churches in the villages and rural communities of India. The mission of India Gospel League, Inc. North America is to raise awareness and encourage involvement and support among the people of North America for the India Gospel League's evangelism, discipleship, church planting, education, agricultural assistance, economic empowerment and medical programs. It provides information, raises financial support, establishes prayer coverage, sends training teams, and secures sponsorship for Indian children, children's gospel clubs, barefoot pastors, bible students, villages and entire regions where the gospel has not yet penetrated.

Basis of Accounting

The financial statements of India Gospel League, Inc. North America are prepared in accordance with generally accepted accounting principles, which involves the application of accrual accounting; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

Contributions

Contributions received are recorded as support with, or without restrictions, depending on the existence or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Overhead Fee

The organization has a policy of designating up to 18% of restricted contributions to cover administrative and overhead expenses, which totaled \$567,567 in 2020 and \$418,204 in 2019. The applied overhead fee was approximately 15% for 2020 and 2019.

Contributed Services

Contributed services are recognized as revenues at their estimated fair value only when they create or enhance nonfinancial assets, or they require specialized skills which would need to be purchased if they were not donated. No amounts have been recognized in the statement of activities because the criteria for recognition have not been satisfied.

Financial Statement Presentation

In accordance with generally accepted accounting principles, India Gospel League, Inc. North America reports information regarding its financial position and activities according to two classes of net assets, described as follows:

- Net Assets Without Donor Restrictions; includes net assets with no grantor or donor-imposed restrictions on the use of the funds.
- Net Assets With Donor Restrictions; includes net assets with grantor or donor-imposed restrictions on the use of the funds.

Cash and Cash Equivalents

Cash and cash equivalents include all monies in financial institutions and certificates of deposit with original maturity dates at issue of twelve months or less. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

INDIA GOSPEL LEAGUE, INC. NORTH AMERICA
Notes to Financial Statements (Continued)
December 31, 2020

With summarized comparative financial information for the year ended December 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Concentrations of Credit Risks

India Gospel League, Inc. North America maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. India Gospel League, Inc. North America's uninsured cash balances exceeded limits by approximately \$1,115,568 at December 31, 2020 and \$359,440 at December 31, 2019. India Gospel League, Inc. North America has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk on its balances.

Investments

Investments are stated at fair market value in the statement of financial position. Gains and losses (realized and unrealized) on investments are recognized as changes in net assets in the period in which they occur, and investment income is recognized as revenue in the period earned. There were no investments at December 31, 2020 and 2019.

Prepaid Expenses and Other Assets

Prepaid expenses and other assets include items such as prepaid insurance, deposits, and trademarks.

Property and Equipment

All acquisitions of property and equipment in excess of \$250 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are evaluated for capitalization. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Depreciation expenses totaled \$3,711 in 2020 and \$5,853 in 2019.

Contributions of property and equipment are recorded as support without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Contributions of cash or other assets received with a restriction that they be used to acquire fixed assets are initially recognized as support with donor restrictions. The restrictions on those contributions expire when the fixed assets are placed in service, and the net assets are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

Functional Expenses

The costs of providing the various programs and activities have been reported on a functional basis in the Statement of Functional Expenses. Any expenses not directly chargeable to a program or function are allocated based on units of service, and support costs are allocated based on indirect cost allocations.

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.

Summarized Comparative Financial Information

The financial statements include certain prior year summarized comparative information in total but not by functional basis and net asset class. Such information, which was not audited by us, does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended December 31, 2019 from which the summarized information was derived.

INDIA GOSPEL LEAGUE, INC. NORTH AMERICA
Notes to Financial Statements (Continued)
December 31, 2020

With summarized comparative financial information for the year ended December 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Tax Status

India Gospel League, Inc. North America is a tax-exempt not-for-profit corporation organized under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal income taxes has been included in these financial statements.

Subsequent Events

Subsequent events are events or transactions that occur after year end but before the financial statements are issued or are available to be issued. These events and transactions either provide additional evidence about conditions that existed at year end, including estimates inherent in the process of preparing financial statements (that is, recognized subsequent events), or provide evidence about conditions that did not exist at year end but arose after that date (that is, non-recognized subsequent events). On April 1, 2018, India Gospel League, Inc. North America entered a new five-year operating lease to build out and rent a 2,816 square foot office located in Hudson, Ohio.

Date of Management's Review

Subsequent events were evaluated through April 21, 2021, which is the date the financial statements were available to be issued.

NOTE B – LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization has \$1,396,021 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditures consisting of \$1,396,021 in cash. None of the financial assets are subject to restrictions that would make them unavailable for general expenditures within one year of the balance sheet date. The Organization has a goal to maintain financial assets, which consist of cash and receivables that are structured to be available as its general expenditures, liabilities and other obligations come due.

NOTE C - CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following at December 31:

	<u>2020</u>	<u>2019</u>
General checking	\$ 1,260,923	\$ 604,820
Money market funds	104,644	4,620
Stevens India Missions Fund checking	<u>30,454</u>	<u>18,013</u>
	<u>\$ 1,396,021</u>	<u>\$ 627,453</u>

NOTE D - PROPERTY AND EQUIPMENT

Property and equipment include the following at December 31:

	<u>2020</u>	<u>2019</u>
Office furniture	\$ 27,905	\$ 27,905
Computers and software	<u>22,126</u>	<u>22,126</u>
	50,031	50,031
Less accumulated depreciation	<u>(42,121)</u>	<u>(38,410)</u>
Property and equipment, net	<u>\$ 7,910</u>	<u>\$ 11,621</u>

INDIA GOSPEL LEAGUE, INC. NORTH AMERICA
Notes to Financial Statements (Continued)
December 31, 2020

With summarized comparative financial information for the year ended December 31, 2019

NOTE E - NET ASSETS

Net assets without donor restrictions include the following as of December 31:

	2020	2019
Net investment in property and equipment	\$ 7,910	\$ 11,621
Operating surplus	466,590	221,379
	\$ 474,500	\$ 233,000

Net assets with donor restrictions are restricted for the following as of December 31:

	2020	2019
Various India Programs	\$ 814,081	\$ 342,421
Child Sponsorship	115,766	84,548
	\$ 929,847	\$ 426,969

Net assets totaling \$3,307,959 in 2020 and \$2,870,334 in 2019 were released from restrictions by incurring expenditures that satisfied the restricted purposes or by occurrence of other events specified by the donors. If there are excess temporarily restricted assets designated toward a project, the donor determines whether the assets may be used toward other projects or transferred to the general fund.

NOTE F - RETIREMENT SAVINGS PLAN

The organization sponsors a 403(b) retirement savings plan. Employees must complete 6 months of service and be 21 years of age before being eligible to participate in the plan. The organization may match 100% of the qualified employee's contribution under this plan up to 3% of the employee's salary. In addition, the organization may make a discretionary contribution at the discretion of the organization's board of directors. The organization made \$5,050 in contributions in 2020 and \$3,150 in 2019.

NOTE G - OPERATING LEASES

April 1, 2018, the organization entered into the operating lease agreement for 2,816 square feet of office space in Hudson, Ohio under a five-year lease expiring March 31, 2023 with two additional three-year renewal terms at Fair Market Value. The lease requires monthly base rental of \$3,051 through March 31, 2020 and \$3,168 through March 31, 2023. In addition to the monthly base rental, additional rent includes a prorated share of Operating Expenses, Taxes and Insurance. Lease expense totaled \$38,758 in 2020 and \$37,684 in 2019.

At December 31, 2020, minimum annual base rentals under non-cancelable leases are as follows:

Year Ending	Amount
2021	\$ 38,016
2022	38,016
2023	9,504
	\$ 85,536

INDIA GOSPEL LEAGUE, INC. NORTH AMERICA
Notes to Financial Statements (Continued)
December 31, 2020

With summarized comparative financial information for the year ended December 31, 2019

NOTE H - RELATED PARTY TRANSACTIONS

India Gospel League, Inc. North America is related through common board leadership with India Gospel League. Rev. Samuel D. Stephens serves as President for both organizations. Grants paid to India Gospel League totaled \$3,063,861 in 2020 and \$2,412,994 in 2019.

NOTE I - MAJOR DONORS

Donations from the organization's largest donors totaled 36% of contribution revenue in 2020 and 25% of contribution revenue in 2019.

NOTE J – COVID 19 PANDEMIC

During 2020, Covid-19 broke out worldwide. The pandemic reached the United States in the spring of 2020. The economic impact from this pandemic has been considerable, requiring Government intervention to ease the financial toll taken by the disease. Person to person interaction has been curtailed in businesses and certain business sectors have been seriously impacted.

With the pandemic ongoing at the end of 2020, the Organization cannot forecast the impact this might have on operations, cash flow and operations in 2021 and beyond. The Organization maintains its vigilance with respect to the situation and intends to take the appropriate actions necessary for the benefit of the Organization and its employees should the need arise.

NOTE K – PAYROLL PROTECTION PROGRAM LOAN

During 2020 the Organization received a loan of \$68,200 from the Small Business Administration under the Federal Payroll Protection Program (PPP). The proceeds of the loan were utilized to support the Organization's operations during 2020. The Organization utilized the funds in accordance with the program guidelines, submitted the required documentation for forgiveness of the loan. The Organization received notification on December 16, 2020 that the entire amount of the loan has been forgiven. The forgiven amount of \$68,200 is recognized on the Statement of Activities as other income.

SUPPLEMENTAL INFORMATION

INDIA GOSPEL LEAGUE, INC. NORTH AMERICA
Supplemental Schedule of Net Assets with Donor Restrictions
For the Year Ended December 31, 2020

With Summarized Comparative Information for the Year Ended December 31, 2019

India net assets with donor restrictions:	2020	2019
Adopt-a-Family	\$ 124	\$ 123
Adopt-a-Region	155,790	11,883
Adopt-a-Village	90,023	95,126
Andhra Pradesh Mission Base	48	48
Barefoot Pastors	31,082	14,231
Bethel Home	33	33
Bible Students	1,373	658
Bibles for India	42,036	2,088
Buildings	200	200
Child Sponsorship	118,679	28,070
Children's Gospel Club	18,273	17,245
Cincinnati Consortium	17	17
CWC	8,725	15,570
Decadai Celebration	123	198
Equipment in India	350	21,510
Erode Mission Base	13	13
Gift Catalog	34,673	6,816
Goldrop Consultancy Services	-	2,100
Hebron Home	19	20
KCIP	48	48
Krupa	126	126
Leadership Training	3,266	352
Leprosy Victims	1,432	930
Life Centers	104,766	14,823
Maharashtra (WFC) at Chandrapur	2,907	8
National Pastor Training (NPT)	2,136	5,010
NE India	4,253	4
Nursing Students	2,714	2,214
Open Arms	82	83
Pediatric Wing Addition	19	19
Rebekah Home	69	69
Relief	47	48
Sharon Cancer Center	42,070	27,551
Stephens India Missions Fund	-	19,738
Trips	(11,530)	(12,222)
Urgent Needs	94,560	14,297
Wells	58,935	55,902
Wichita (WIP)	6,315	3,301
Women With a Mission	(1,109)	(3,748)
Yamaha	3,475	-
Youth Mission	(2,081)	(2,081)
Total India net assets with donor restrictions	814,081	342,421
U.S. net assets with donor restrictions:		
Child Sponsorship	115,766	84,548
Total Net Assets with Donor Restrictions	\$ 929,847	\$ 426,969

The accompanying notes are an integral part of these financial statements.