



# **HELPAge USA, INC.**

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

December 31, 2023

**HELPAGE USA, INC.**

Table of Contents

December 31, 2023

---

**Table of Contents**

Independent Auditor's Report.....	1 - 2
<i>Financial Statements</i>	
Statement of Financial Position.....	3
Statement of Activities.....	4
Statement of Functional Expenses.....	5 - 6
Statement of Cash Flows.....	7
Notes to Financial Statements.....	8 - 12

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
HelpAge USA, Inc.

### Opinion

We have audited the accompanying financial statements of HelpAge USA, Inc. (the Organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2023, 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.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists.



The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

A handwritten signature in black ink that reads "HAN GROUP LLC".

**HAN GROUP LLC**  
Washington, DC  
November 15, 2024

**HELPAGE USA, INC.**  
Statement of Financial Position  
December 31, 2023

---

**Assets**

Cash	\$ 1,828,629
Contributions receivable	<u>375,770</u>
Total assets	<u>\$ 2,204,399</u>

**Liabilities and Net Assets**

**Liabilities**

Accounts payable and accrued expenses	\$ 49,233
Accrued vacation	6,385
Grants payable	<u>209,985</u>
Total liabilities	<u>265,603</u>

**Net Assets**

Without donor restrictions	389,344
With donor restrictions	<u>1,549,452</u>
Total net assets	<u>1,938,796</u>
Total liabilities and net assets	<u>\$ 2,204,399</u>

**HELPAGE USA, INC.**  
Statement of Activities  
Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue and Support</b>			
Contributions	\$ 181,651	\$ 1,273,129	\$ 1,454,780
Contract income	114,404	-	114,404
Other income	36,691	-	36,691
Net assets released from restrictions:			
Expiration of time restrictions	251,660	(251,660)	-
Satisfaction of purpose restrictions	1,203,590	(1,203,590)	-
Total revenue and support	<u>1,787,996</u>	<u>(182,121)</u>	<u>1,605,875</u>
<b>Expenses</b>			
Program services:			
Humanitarian	948,375	-	948,375
Healthy Aging	141,095	-	141,095
Policy and Education	160,346	-	160,346
Financial Inclusion	50,992	-	50,992
Total program services	<u>1,300,808</u>	<u>-</u>	<u>1,300,808</u>
Supporting services:			
Management and general	160,405	-	160,405
Fundraising	8,678	-	8,678
Total supporting services	<u>169,083</u>	<u>-</u>	<u>169,083</u>
Total expenses	<u>1,469,891</u>	<u>-</u>	<u>1,469,891</u>
<b>Change in Net Assets</b>	318,105	(182,121)	135,984
<b>Net Assets</b> , beginning of year	<u>71,239</u>	<u>1,731,573</u>	<u>1,802,812</u>
<b>Net Assets</b> , end of year	<u>\$ 389,344</u>	<u>\$ 1,549,452</u>	<u>\$ 1,938,796</u>

**HELPAGE USA, INC.**Statement of Functional Expenses  
Year Ended December 31, 2023

---

	Program Services				
	Humanitarian	Healthy Aging	Policy and Education	Financial Inclusion	Total Program Services
Grants and awards	\$ 818,322	\$ 24,250	\$ -	\$ -	\$ 842,572
Salaries and related expenses	78,196	76,230	113,152	31,973	299,551
Professional fees	51,857	37,949	46,198	19,019	155,023
Office expenses	-	1,315	464	-	1,779
Travel and meetings	-	1,047	523	-	1,570
Occupancy	-	-	-	-	-
Other expenses	-	304	9	-	313
<b>Total Expenses</b>	<b>\$ 948,375</b>	<b>\$ 141,095</b>	<b>\$ 160,346</b>	<b>\$ 50,992</b>	<b>\$ 1,300,808</b>

See accompanying notes.

**HELPAGE USA, INC.**Statement of Functional Expenses (continued)  
Year Ended December 31, 2023

---

	<u>Supporting Services</u>			
	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Supporting Services</u>	<u>Total</u>
Grants and awards	\$ -	\$ -	\$ -	\$ 842,572
Salaries and related expenses	81,222	6,603	87,825	387,376
Professional fees	46,053	2,075	48,128	203,151
Office expenses	20,415	-	20,415	22,194
Travel and meetings	6,543	-	6,543	8,113
Occupancy	5,000	-	5,000	5,000
Other expenses	1,172	-	1,172	1,485
<b>Total Expenses</b>	<u>\$ 160,405</u>	<u>\$ 8,678</u>	<u>\$ 169,083</u>	<u>\$ 1,469,891</u>

See accompanying notes.



**HELPAGE USA, INC.**

Statement of Cash Flows

Year Ended December 31, 2023

---

<b>Cash Flows from Operating Activities</b>	
Change in net assets	\$ 135,984
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Change in operating assets and liabilities:	
Accounts receivables	8,768
Contributions receivables	(331,481)
Prepaid expenses and other assets	2,025
Accounts payable and accrued expenses	37,195
Accrued vacation	6,385
Grants payable	<u>(210,244)</u>
Net cash used in operating activities	<u>(351,368)</u>
<b>Net Decrease in Cash</b>	(351,368)
<b>Cash</b> , beginning of year	<u>2,179,997</u>
<b>Cash</b> , end of year	<u><u>\$ 1,828,629</u></u>

See accompanying notes.

## HELPAGE USA, INC.

Notes to Financial Statements

December 31, 2023

---

### 1. Nature of Operations

HelpAge USA, Inc. (the Organization) works with its global network of affiliates and partners in over 80 countries to implement programs and policies that directly improve the lives of older people in the world's poorest communities. The Organization's vision is of a world in which all older people fulfill their potential to lead dignified, active, healthy, and secure lives. The Organization funds its program and supporting services primarily through contributions and contracts from corporations, foundations, and individuals.

### 2. Summary of Significant Accounting Policies

#### Basis of Accounting

The accompanying financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Consequently, revenue is recognized when earned and expenses are recognized when the obligation is incurred.

#### Contributions Receivable

Contributions receivable represent amounts due from the Organization's various contributors. The balance of contributions receivable at December 31, 2023 has been deemed by management to be fully collectible within one year. If an amount becomes uncollectible, it is expensed when that determination is made.

#### Grants Payable

The Organization makes grants for support of various programs and initiatives that fall within the Organization's mission. The amount for which the Organization is obligated is recorded upon the grant's approval. At December 31, 2023, the entire grants payable was due within one year.

#### Classification of Net Assets

- *Net Assets Without Donor Restrictions* represent funds that are not subject to donor-imposed stipulations and are available for support of the Organization's operations.
- *Net Assets With Donor Restrictions* represent funds 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 specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Organization did not have any donor-imposed restrictions which are perpetual in nature at December 31, 2023.

**2. Summary of Significant Accounting Policies (continued)**Revenue Recognition*Contributions*

Unconditional contributions are recognized as revenue when received or promised and are reported as support with donor restrictions if they are received with donor stipulations that limit the use of donated assets. 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 on the accompanying statement of activities as net assets released from restrictions.

Contributions that are considered to be conditional contributions, that is, those with a measurable performance or other barrier and a right of return, are recognized as revenue once the conditions on which they depend have been met. The Organization adopted the simultaneous release option for donor-restricted conditional contributions that are recognized and used within the same reporting period, therefore, these amounts are reported as without donor restrictions. Amounts recognized in revenue that have not been received are included in contributions receivable on the accompanying statement of financial position. Conversely, amounts received in advance of the conditions being met are recorded as refundable advances on the accompanying statement of financial position. Revenue recognized but not received is included in contributions receivable on the accompanying statement of financial position. Conversely, the amount received in advance of incurring allowable direct and indirect costs is reported as a refundable advance on the accompanying statement of financial position. The Organization had no unrecognized conditional awards or refundable advances at December 31, 2023.

*Contributions of Nonfinancial Assets*

Contributions of nonfinancial assets are recognized as revenue and expenses or assets on the accompanying statement of activities at their estimated fair value at the date of receipt. Contributed services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. There were no contributions of nonfinancial assets in the year ended December 31, 2023.

Functional Allocation of Expenses

The costs of providing program and supporting services have been summarized on a functional basis on the accompanying statement of activities. The statement of functional expenses presents expenses by function and natural classification. 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. 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 based on either financial or nonfinancial data, such as distribution of labor or estimates of time and effort incurred by personnel. Expenses allocated include salaries and related expenses and professional fees.

**HELPAGE USA, INC.**

Notes to Financial Statements

December 31, 2023

---

**4. Concentrations**

Financial instruments that potentially subject the Organization to a significant concentration of credit risk consist of cash. The Organization maintains cash deposits with a financial institution that may, from time to time, exceed insurable limits. The Organization has not experienced any losses on its cash and management believes that the risk of any loss is minimal.

Revenue and support from three sources accounted for 50% of the Organization's revenue and support for the year ended December 31, 2023. In addition, amounts due from three donors accounted for 94% of the Organization's contributions receivable at December 31, 2023.

**5. Liquidity and Availability of Resources**

The following schedule reflects the Organization's financial assets at December 31, 2023, reduced by amounts not available for general use within one year. All financial assets listed below are considered to be convertible to cash within one year:

Financial Assets:	
Cash	\$ 1,828,629
Contributions receivable	<u>375,770</u>
Total financial assets	2,204,399
Less those unavailable for general expenditures within one	
Donor-imposed restrictions on financial assets	<u>(1,549,452)</u>
Financial assets available to meet cash needs for general	
expenditures within one year	<u>\$ 654,947</u>

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

**6. Net Assets With Donor Restrictions**

Net assets with donor restrictions were restricted for the following at December 31, 2023:

Subject to the passage of time	\$ 299,580
Subject to expenditures for specific purposes:	
Humanitarian Protection	1,074,392
Health	<u>175,480</u>
Total net assets with donor restrictions	<u>\$ 1,549,452</u>

**HELPAGE USA, INC.**

Notes to Financial Statements

December 31, 2023

---

**6. Net Assets With Donor Restrictions (continued)**

During the year ended December 31, 2023, releases from net assets with donor restrictions were for the following:

Expiration of time restrictions:	\$ 251,660
Satisfaction of purpose restrictions:	
Humanitarian Protection	1,089,020
Health	<u>114,570</u>
Total satisfaction of purpose restrictions	<u>1,203,590</u>
Total net assets released from donor restrictions	<u>\$ 1,455,250</u>

**7. Related Party Transactions**

The Organization entered into contribution and contract arrangements with HelpAge International, a London based organization. A board member with HelpAge International is also a board member of the Organization. The Organization granted \$821,325 to HelpAge International during the year ended December 31, 2023 and received \$503,240 in contributions from HelpAge International during the year ended December 31, 2023. In addition, HelpAge International contracted the Organization to provide certain professional services. The Organization recognized \$38,458 for contract service income from HelpAge International during the year December 31, 2023.

**8. Income Taxes**

Under Section 501(c)(3) of the Internal Revenue Code, the Organization is a nonprofit organization and is exempt from federal taxes on income other than net unrelated business income. No provision for federal or state income taxes is required for the year ended December 31, 2023, as the Organization had no taxable net unrelated business income.

The Organization follows the authoritative guidance relating to accounting for uncertainty in income taxes included in Accounting Standards Codification Topic 740-10, *Income Taxes*. These provisions provide consistent guidance for the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribe a threshold of "more likely than not" for recognition and derecognition of tax positions taken or expected to be taken in a tax return. It is the Organization's policy to recognize interest and/or penalties related to uncertain tax positions, if any, in income tax expenses.

The Organization performed an evaluation of uncertain tax positions for the year ended December 31, 2023 and determined that there were no matters that would require recognition in the financial statements or that may have any effect on its tax-exempt status. The statute of limitations generally remains open for three tax years with the U.S. federal jurisdiction or the various states and local jurisdictions in which the Organization files tax returns.

**HELPAGE USA, INC.**

Notes to Financial Statements

December 31, 2023

---

**9. Subsequent Events**

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through November 15, 2024, the date the financial statements were available to be issued. There were no subsequent events that require recognition of, or disclosure in, the financial statements.