

BINAYTARA FOUNDATION
Financial Statements
And Independent Auditors' Report
October 31, 2018

BINAYTARA FOUNDATION

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Binaytara Foundation

We have audited the accompanying financial statements of Binaytara Foundation (a nonprofit organization), which comprise the statement of financial position as of October 31, 2018, and the related statement of activities, functional expenses, 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 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 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 auditor considers internal control relevant to the organization'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 organization'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 Binaytara Foundation as of October 31, 2018, 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.

VSH PLLC

Bellingham, Washington
January 31, 2019

BINAYTARA FOUNDATION
STATEMENT OF FINANCIAL POSITION
October 31, 2018

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 133,408
Contributions receivable	5,800
Prepaid expenses	24,576
Total current assets	<u>163,784</u>

TOTAL ASSETS

\$ 163,784

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 1,543
Payroll accrual	89
Deferred revenue	2,700
Total current liabilities	<u>4,332</u>

UNRESTRICTED NET ASSETS

159,452

TOTAL LIABILITIES AND NET ASSETS

\$ 163,784

BINAYTARA FOUNDATION
STATEMENT OF ACTIVITIES
For the Year Ended October 31, 2018

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
SUPPORT AND REVENUE				
General contributions	\$ 217,193	\$ -	\$ -	\$ 217,193
Contributions in-kind	56,983	-	-	56,983
Registration fees	34,415	-	-	34,415
Product sales	5,761	-	-	5,761
Rental deposit	1,003	-	-	1,003
Interest income	920	-	-	920
Total support and revenue	<u>316,275</u>	<u>-</u>	<u>-</u>	<u>316,275</u>
EXPENSES				
Program services	272,090	-	-	272,090
Management and general	20,842	-	-	20,842
Fundraising	11,250	-	-	11,250
Total expenses	<u>304,181</u>	<u>-</u>	<u>-</u>	<u>304,181</u>
INCREASE IN NET ASSETS	12,094	-	-	12,094
NET ASSETS , beginning of year	<u>147,358</u>	<u>-</u>	<u>-</u>	<u>147,358</u>
NET ASSETS , end of year	<u>\$ 159,452</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 159,452</u>

See independent auditors' report and accompanying notes to the financial statements

BINAYTARA FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended October 31, 2018

	Program Services	Supporting Services		Total
		Management and General	Fund Raising	
Salaries and wages	\$ 83,498	\$ -	\$ 9,278	\$ 92,775
Professional education:				
Conference faculty	36,000	-	-	36,000
Meals	31,566	-	-	31,566
Hotels and lodging	17,919	-	-	17,919
Travel	17,504	-	-	17,504
Audio-visual	17,462	-	-	17,462
Printing and supplies	10,293	-	-	10,293
Honoraria	5,000	-	-	5,000
Nepal cancer center:				
General	19,391	-	-	19,391
Travel	4,887	-	-	4,887
India hospice program:				
Travel	6,831	-	-	6,831
Rent	10,990	-	-	10,990
Professional fees	-	5,929	-	5,929
Advertise conferences and summits	5,604	-	-	5,604
Licenses and accreditation fees	4,304	-	-	4,304
Dues and subscriptions	-	3,860	-	3,860
Supplies and postage	501	2,824	-	3,325
Hospitality	-	2,712	-	2,712
General and administrative	-	2,303	-	2,303
Cancer climb advertising	-	-	1,972	1,972
Bank fees	-	1,950	-	1,950
Insurance	-	1,014	-	1,014
Other expenses	340	250	-	590
Total functional expenses	\$ 272,090	\$ 20,842	\$ 11,250	\$ 304,181

See independent auditors' report and accompanying notes to the financial statements

BINAYTARA FOUNDATION
STATEMENT OF CASH FLOWS
For the Year Ended October 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES

Increase in net assets	\$ 12,094
<i>Adjustments to reconcile increase in net assets to net cash and cash equivalents used for operating activities</i>	
Changes in assets and liabilities:	
Accounts receivable	(5,800)
Prepaid expenses	(24,064)
Accounts payable	1,543
Payroll accrual	89
Deferred revenue	2,700
Net cash used for operating activities	(13,438)
 NET DECREASE IN CASH AND CASH EQUIVALENTS	 (13,438)
 CASH AND CASH EQUIVALENTS, beginning of year	 <u>146,846</u>
 CASH AND CASH EQUIVALENTS, end of year	 <u><u>\$ 133,408</u></u>

See independent auditors' report and accompanying notes to the financial statements

BINAYTARA FOUNDATION
NOTES TO FINANCIAL STATEMENTS

October 31, 2018

NOTE 1. NATURE OF ORGANIZATION

Binaytara Foundation (the Organization) is a non-profit organization which solicits and receives contributions to provide improvements and education in health care in resource-poor communities. The Organization achieves its mission by collaborating and partnering with individuals, non-profits, governments, corporations, foundations, and other supporters. The Organization oversees hospice and palliative care centers in Nepal and India.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of the significant accounting policies of the Organization is presented to assist the reader in evaluating the Organization's financial statements. The financial statements and notes are representations of the Organization's management, who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Basis of presentation – The accompanying financial statements have been prepared on the accrual basis and follow the requirements of the Financial Accounting Standards Board in its Accounting Standards Codification ASC 958. Under ASC 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets:

Unrestricted net assets consist of net assets available for current operations and expenditures for current programs. These assets have no donor-imposed stipulations. At its discretion, the Board of Directors may designate funds for specific purposes.

Temporarily restricted net assets consist of net assets resulting from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations. The Organization had no temporarily restricted net assets at October 31, 2018.

Permanently restricted net assets consist of net assets resulting from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization. The Organization had no permanently restricted net assets at October 31, 2018.

Cash and cash equivalents – The Organization considers all short-term, highly liquid investments with original maturities of three months or less to be cash equivalents. The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts.

Contributions receivable – The Organization considers all contributions receivable to be fully-collectible; therefore, no allowance for doubtful accounts has been provided for the year ended October 31, 2018. If amounts become uncollectible, they are charged to operations when that determination is made.

BINAYTARA FOUNDATION
NOTES TO FINANCIAL STATEMENTS

October 31, 2018

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Contributions – Contributions are recognized at fair value on the earlier of receipt of cash or when the donor makes a promise to give to the Organization that is, in substance, unconditional. All contributions are considered available for the Organization's general programs unless specifically restricted by the donor. Contributions that are restricted by a donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. 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.

Contributed services – Contributed services are reflected as contributions in the accompanying statements of activities at their estimated fair values at date of receipt. FASB ASC 958-605 requires services contributed by professionals and craftsmen that require specialized skills to be recognized as in-kind income and expense. Contributed services that do not require specialized skills are not recognized. Contributed services not recognized totaled \$6,000 for the year ended October 31, 2018.

Federal income taxes – The Organization is a not-for-profit organization that is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) on income related to its organizational purpose. The Organization evaluates its income tax positions on a regular basis and believes it has taken no significant uncertain tax positions. The Organization has not recognized any interest or penalties associated with uncertain tax positions.

Allocation of expenses – Costs of providing programs and activities are summarized by functional category in the statements of activities and functional expenses. Costs are directly allocated where possible, and certain expenses not directly related to a particular function are allocated based on the percentage of time devoted to the functions benefited and on estimates made by the Organization's management.

Use of 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. Such estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and affect the reported amounts of support, revenue, and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent events – Subsequent events have been evaluated through January 31, 2019, which is the date the financial statements were available to be issued.

NOTE 3. IN-KIND CONTRIBUTIONS

The Organization received other in-kind contributions of materials and services that have been reflected in the statement of activities for year ended October 31, 2018:

Conference faculty	\$ 36,000
Rent	9,736
Training	6,000
Travel	4,887
Subscriptions	<u>360</u>
Total contributions in-kind, other	<u>\$ 56,983</u>

See independent auditors' report

BINAYTARA FOUNDATION
NOTES TO FINANCIAL STATEMENTS

October 31, 2018

NOTE 3. IN-KIND CONTRIBUTIONS, (continued)

Other in-kind contributions of materials and services that have not been reflected in the statement of activities totaled \$53,282 for year ended October 31, 2018.

NOTE 4. DIRECTOR TRANSACTIONS

The Organization received \$20,076 in contributions from directors consisting of general contributions, in-kind rent and in-kind travel for the year ended October 31, 2018.

NOTE 5. FOREIGN OPERATIONS

The Organization has programs operating in India and Nepal. The costs related to these programs are settled in US dollars.