

AMERICA NEPAL MEDICAL FOUNDATION

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

AMERICA NEPAL MEDICAL FOUNDATION

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INDEPENDENT AUDITORS' REPORT



To the Board of Directors of
America Nepal Medical Foundation
Jamesville, New York

We have audited the accompanying financial statements of America Nepal Medical Foundation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2015, 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 relevance 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 America Nepal Medical Foundation as of December 31, 2015, and the changes in its net assets and its cash flows for the year ended in accordance with accounting principles generally accepted in the United States of America.

Morton & Associates, Inc.

Morton & Associates Inc.
Certified Public Accountants

August 29, 2016

AMERICA NEPAL MEDICAL FOUNDATION

STATEMENT OF FINANCIAL POSITION

AS OF DECEMBER 31, 2015

	<u>Unrestricted</u>	<u>Total 2015</u>
ASSETS		
Current Assets		
Cash	\$ <u>729,218</u>	\$ <u>729,218</u>
Total Current Assets	<u>729,218</u>	<u>729,218</u>
Total Assets	\$ <u><u>729,218</u></u>	\$ <u><u>729,218</u></u>
LIABILITIES		
Operating Fund	<u>729,218</u>	<u>729,218</u>
Total Net Assets	<u>729,218</u>	<u>729,218</u>
Total Liabilities & Net Assets	\$ <u><u>729,218</u></u>	\$ <u><u>729,218</u></u>

The Accompanying Independent Auditors' Report and the Attached Notes
are an Integral Part of These Financial Statements.

AMERICA NEPAL MEDICAL FOUNDATION
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Unrestricted</u>	<u>Total 2015</u>
SUPPORT		
Contributions	\$ <u>1,440,571</u>	\$ <u>1,440,571</u>
Total Support	<u>1,440,571</u>	<u>1,440,571</u>
REVENUE		
Membership dues	64,185	64,185
Conference Fees	<u>9,620</u>	<u>9,620</u>
Total Revenue	<u>73,805</u>	<u>73,805</u>
Total Increases in Net Assets	\$ <u>1,514,376</u>	\$ <u>1,514,376</u>
EXPENSES		
Program Services		
Program Services	\$ <u>813,059</u>	\$ <u>813,059</u>
Total Program Services	<u>813,059</u>	<u>813,059</u>
Support Services		
Management & General	<u>1,451</u>	<u>1,451</u>
Total Support Services	<u>1,451</u>	<u>1,451</u>
Total Expenses	<u>814,510</u>	<u>814,510</u>
Net Increase (Decrease) In Assets	699,866	699,866
Net Assets Beginning	<u>29,352</u>	<u>29,352</u>
Net Assets Ending	<u>\$ 729,218</u>	<u>\$ 729,218</u>

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AMERICA NEPAL MEDICAL FOUNDATION
STATEMENT OF FUNCTIONAL REVENUE AND EXPENSE
FOR THE YEAR ENDED DECEMBER 31, 2015

SUPPORT & REVENUE	<u>Program Services</u>	<u>Management & General</u>	<u>Total 2015</u>
SUPPORT			
Contributions	\$ <u>1,440,571</u>	\$ _____	\$ <u>1,440,571</u>
Total Support	1,440,571		1,440,571
REVENUE			
Membership dues	64,185		64,185
Conference Fees	<u>9,620</u>	<u> </u>	<u>9,620</u>
Total Revenue	<u>73,805</u>	<u> </u>	<u>73,805</u>
Total Support & Revenue	\$ <u>1,514,376</u>	\$ _____	\$ <u>1,514,376</u>
EXPENSES			
Program Expenses	\$ 785,990	\$ _____	\$ 785,990
Conferences & Meetings	9,113		9,113
Other Program Expense	386		386
Office		763	763
Insurance		688	688
Bank Service Charges	15,762		15,762
Information & Technology Expense	<u>1,808</u>	<u> </u>	<u>1,808</u>
Total Expense	\$ <u>813,059</u>	\$ <u>1,451</u>	\$ <u>814,510</u>
Increase(Decrease) in Net Assets	<u><u>701,317</u></u>	<u><u>(1,451)</u></u>	<u><u>699,866</u></u>

The Accompanying Independent Auditors' Report and the Attached Notes
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AMERICA NEPAL MEDICAL FOUNDATION
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>TOTAL CURRENT YEAR</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Net Increase (Decrease) in Net Assets	\$ 699,866
Adjustments to Reconcile Net Increase (Decrease) in Net Assets to Net Cash Provided by Operating Activities:	
(Increase) Decrease in Assets:	
(Increase) Decrease in Liabilities:	
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:	699,866
CASH FLOWS FROM FINANCING ACTIVITIES	
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>699,866</u>
CASH & CASH EQUIVALENTS, BEGINNING	<u>29,352</u>
CASH & CASH EQUIVALENTS, ENDING	<u>\$ 729,218</u>

The Accompanying Independent Auditors' Report and the Attached Notes
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AMERICA NEPAL MEDICAL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 1: ORGANIZATION

AMERICA NEPAL MEDICAL FOUNDATION (ANMF) is a non-profit organization founded in 1997. ANMF promotes the advancement of medical training and practice in Nepal, and supports the Nepali people's ongoing efforts to enhance their health status.

Many of ANMF's members are physicians originally from Nepal and currently residing in America. Many went to medical school in Nepal and have worked in Nepali hospitals and are familiar with the realities of medical care in the country. Other members include Americans who have lived and worked extensively in Nepal. All members of ANMF are volunteers, so monetary contributions can be sent directly to Nepal.

ANMF has extensive local connections to medical schools, hospitals, clinics and medical personnel in Nepal, and utilizes these channels to streamline relief efforts. This allows ANMF to quickly identify needs that may be missed by global organizations that may not have as well developed networks within Nepal.

Following the massive catastrophic earthquake in Nepal in April, 2015, providing acute medical needs, food and shelter became the focus of the organization. ANMF support has now transitioned into long term goals involving public health, physical and psychological rehabilitation, and rebuilding of health infrastructure destroyed by the great earthquake. As of July, 2016, eleven rural health posts have been constructed by ANMF in the hard hit Sindhupalchowk district and more are under way.

America Nepal Medical Foundation has been working in Nepal since its inception in 1997. Prior to the 2015 earthquake, projects have included:

Continuing Medical Education programs (CME) – internal medicine, pulmonary & critical care, surgery, radiology, neurology, emergency medicine, cardio pulmonary, infectious disease, gastroenterology, and ACLS training;

Education – medical journals and computers for teaching hospitals, assistance in the establishment of Kathmandu University Medical School and medical school management training;

Equipment – anesthesia machine for disabled children's hospital, training and equipment for renal histopathology for Bir hospital, electrical generator for Bhaktapur Cancer Hospital;

Telemedicine – HealthNet expansion to Butwal, hospital network for disaster communication;

AMERICA NEPAL MEDICAL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 1: ORGANIZATION, CONTINUED

Public Health – nutrition and oral hygiene project, earthquake and disaster relief preparedness study, women’s health survey and uterine prolapse project;

Research – snakebite project, epidemiology of endemic parasites;

Pilot Projects – surgical repair of prolapsed uterus of women in rural Nepal, speech therapy training for paramedics to assist rural children after repair of cleft palate, development of the first and only skin bank in Nepal, Nyaya/Possible Health projects in far west Nepal;

Training – Echocardiography for Patan Hospital physician, medical education unit Patan Hospital, PICU/NICU training – Patan Hospital, curriculum support for Patan Hospital; and

Other Projects – formation of kidney care section and renal projects, Lumbini corneal transplant project, Karing for Kids rural laboratory in Rasuwa, Kirtipur primary eye care service project, Nyaya/Possible emergency obstetric services, Bardibas Samaj Sahakari Hospital clinical lab, BP Koirala Institute of Health Science pediatric ophthalmology unit, Nyaya/Possible perinatal and pediatric care in Western Nepal, fundraising for Bhaktapur Cancer Hospital, fellowships and trainings, Iguana Eye Center.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Organization follows standards of accounting and financial reporting for voluntary health and welfare organizations as prescribed by the American Institute of Certified Public Accountants. In accordance with FADS AC subtopic 958-205-05-6, the Organization reports its financial position and operating activities in three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

- Unrestricted Net Assets include those assets over which the Board of Directors has discretionary control in carrying out the operations of the Organization. Under this category, the Organization maintains an Operating and Property and Equipment Fund. Any net assets designated by the Board for specific purposes would also be categorized as unrestricted net assets. The Organization has elected to report as an increase in unrestricted net assets any restricted revenue received in the current period for which the restrictions have been met in the current period.

AMERICA NEPAL MEDICAL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

- Temporarily Restricted Net Assets include those assets which are subject to a donor restriction and for which the applicable restriction was not met as of the end of the current reporting period. There were no Temporarily Restricted Net Assets as of year end.
- Permanently restricted net assets include assets which are subject to a non-expiring donor restriction such as a donor restricted endowment fund. The Organization does not currently have an Endowment Fund.

Revenue Recognition is in accord with the accrual basis of accounting. Grant revenue and program fees are recognized as revenue in the period in which the service is provided.

Cash and Cash Equivalents include highly liquid investments and those investments with a maturity of three months or less.

Contributions are recorded when cash is received and are considered to be available for unrestricted use unless specifically restricted by the donor.

Furniture and Equipment with a useful life of three or more years and a cost or value in excess of \$1,000 is recorded at cost or, if contributed, at the estimated fair market value when donated. Depreciation is computed using the straight-line method over the assets' estimated useful lives ranging from three to thirty-nine years. Depreciation is charged to the activity benefiting from the use of the property or equipment.

Functional Expenses have been allocated between Program Services and Supporting Services based on an analysis of actual expenses.

Estimates; In accordance with generally accepted accounting principles, management has made estimates and assumptions that affect certain amounts and disclosures which could differ from actual results.

Income Taxes are not provided for in the financial statements since the Organization is exempt from federal and state income taxes under section 501(ac)(3) of the Internal Revenue Code and Section 23701D of the Revenue and Taxation Code of California. American Nepal Medical Foundation has not been classified as a private foundation.

NOTE 3: CONCENTRATION OF CREDIT RISK

The Organization maintains cash balances at financial institutions in excess of the standard FDIC coverage limit of \$250,000. At December 31, 2015, the Organization has \$479,886 of uninsured cash balances.

AMERICA NEPAL MEDICAL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 4: DATE OF MANAGERMENTS REVIEW

In preparing the financial statements, the Organization has evaluated subsequent events and transactions for potential recognition or disclosure through August 29, 2016, the date that the financial statements were available to be issued.