

**VisionSpring, Inc.**

Consolidated Financial Statements

December 31, 2017

## **Independent Auditors' Report**

### **Board of Directors VisionSpring, Inc.**

We have audited the accompanying consolidated financial statements of VisionSpring, Inc. (the "Organization"), which comprise the consolidated statement of financial position as of December 31, 2017, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

### ***Management's Responsibility for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements based on our audit. We did not audit the consolidated financial statements of VisionSpring, Inc., India, whose statements reflect 17% of total assets as of December 31, 2017 and 13% of total support and revenue for the year then ended. Those statements were audited by another auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for these entities, is based solely on the report of another auditor. 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 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 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, based on our audit and the reports of the other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of VisionSpring, Inc. as of December 31, 2017, and the consolidated 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 Summarized Comparative Information***

We have previously audited the Organization's December 31, 2016 consolidated financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 14, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016 is consistent, in all material respects, with the audited financial statements from which it has been derived.

***Report on Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedules on pages 14 and 15 are presented for purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for the information related to VisionSpring, Inc., India, which is based on the report of another auditor, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*PKF O'Connor Davies, LLP*

October 16, 2018

**VisionSpring, Inc.**

Consolidated Statement of Financial Position  
December 31, 2017  
(with comparative amounts at December 31, 2016)

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Cash	\$ 5,030,030	\$ 4,327,086
Investments	62,780	75,327
Pledges receivable	759,810	341,842
Accounts and other receivables	376,257	215,789
Inventory	488,014	223,228
Other assets	178,317	86,659
Property and equipment, net	<u>187,126</u>	<u>196,183</u>
	<u>\$ 7,082,334</u>	<u>\$ 5,466,114</u>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accounts payable and accrued expenses	\$ 449,894	\$ 321,631
Deferred revenue	<u>255,089</u>	<u>4,895</u>
Total Liabilities	<u>704,983</u>	<u>326,526</u>
Net Assets		
Unrestricted	6,301,992	4,862,635
Temporarily restricted	<u>75,359</u>	<u>276,953</u>
Total Net Assets	<u>6,377,351</u>	<u>5,139,588</u>
	<u>\$ 7,082,334</u>	<u>\$ 5,466,114</u>

See notes to consolidated financial statements

## VisionSpring, Inc.

### Consolidated Statement of Activities Year Ended December 31, 2017 (with summarized totals for the year ended December 31, 2016)

	Unrestricted	Temporarily Restricted	2017 Total	2016 Total
<b>SUPPORT AND REVENUE</b>				
Contributions and grants	\$ 4,310,671	\$ 1,088,719	\$ 5,399,390	\$ 3,688,533
Earned income	822,859	-	822,859	693,789
Investment income	7,703	-	7,703	3,573
In-kind contributions	-	-	-	6,000
Other income	4,033	-	4,033	23,657
Released from restrictions	<u>1,290,313</u>	<u>(1,290,313)</u>	<u>-</u>	<u>-</u>
Total Support and Revenue	<u>6,435,579</u>	<u>(201,594)</u>	<u>6,233,985</u>	<u>4,415,552</u>
<b>EXPENSES</b>				
Program	3,983,488	-	3,983,488	3,071,333
Management and general	677,604	-	677,604	561,813
Fundraising	<u>385,197</u>	<u>-</u>	<u>385,197</u>	<u>362,476</u>
Total Expenses	<u>5,046,289</u>	<u>-</u>	<u>5,046,289</u>	<u>3,995,622</u>
Change in Net Assets Before Foreign Currency Translation Gain (Loss)	1,389,290	(201,594)	1,187,696	419,930
Foreign currency translation gain (loss)	<u>50,067</u>	<u>-</u>	<u>50,067</u>	<u>(11,408)</u>
Change in Net Assets	1,439,357	(201,594)	1,237,763	408,522
<b>NET ASSETS</b>				
Beginning of year	<u>4,862,635</u>	<u>276,953</u>	<u>5,139,588</u>	<u>4,731,066</u>
End of year	<u>\$ 6,301,992</u>	<u>\$ 75,359</u>	<u>\$ 6,377,351</u>	<u>\$ 5,139,588</u>

See notes to consolidated financial statements

## VisionSpring, Inc.

### Consolidated Statement of Functional Expenses Year Ended December 31, 2017 (with summarized totals for the year ended December 31, 2016)

	Program		Total Program	Management and Fundraising		2017 Total	2016 Total
	India	Global Partnerships		General			
Salaries and wages	\$ 803,228	\$ 325,797	\$ 1,129,025	\$ 332,976	\$ 301,820	\$ 1,763,821	\$ 1,229,574
Grants	-	536,446	536,446	-	-	536,446	729,434
Payroll taxes and benefits	26,128	41,801	67,929	60,204	42,086	170,219	130,895
Glasses	547,149	173,147	720,296	-	-	720,296	579,939
Freight and shipping	30,836	92,418	123,254	-	-	123,254	98,218
Professional fees and subcontractors	200,472	368,183	568,655	146,554	4,000	719,209	456,617
Professional development and training	-	-	-	-	-	-	80,838
Travel	281,819	96,163	377,982	11,193	26,492	415,667	242,672
Marketing and advertising	32,390	27,557	59,947	1,497	5,300	66,744	37,377
Printing	23,788	584	24,372	-	-	24,372	14,191
Postage	574	231	805	665	715	2,185	5,904
Telephone	16,562	4,507	21,069	8,099	600	29,768	22,357
IT network	5,096	3,030	8,126	13,808	67	22,001	13,006
Office	70,035	2,603	72,638	5,820	93	78,551	69,606
Repairs and maintenance	7,864	-	7,864	5,878	-	13,742	13,117
Miscellaneous	6,444	1,061	7,505	5,388	4,024	16,917	21,677
Rent	141,286	7,621	148,907	71,090	-	219,997	165,991
Depreciation and amortization	48,420	-	48,420	7,279	-	55,699	56,756
Insurance	7,803	-	7,803	7,153	-	14,956	10,569
Bad debt	47,598	4,847	52,445	-	-	52,445	16,884
	<u>\$ 2,297,492</u>	<u>\$ 1,685,996</u>	<u>\$ 3,983,488</u>	<u>\$ 677,604</u>	<u>\$ 385,197</u>	<u>\$ 5,046,289</u>	<u>\$ 3,995,622</u>

See notes to consolidated financial statements

**VisionSpring, Inc.**

Consolidated Statement of Cash Flows  
Year Ended December 31, 2017  
(with comparative amounts for the year ended December 31, 2016)

	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 1,237,763	\$ 408,522
Adjustments to reconcile change in net assets to net cash from operating activities		
Donated stock	-	(7,234)
Realized loss on investments	-	1,158
Depreciation and amortization	55,699	56,756
Bad debt expense	52,445	16,884
Change in operating assets and liabilities		
Pledges receivable	(470,413)	369,647
Accounts and other receivables	(160,468)	(91,604)
Due from employees	-	11,932
Inventory	(264,786)	(3,980)
Other assets	(91,658)	(31,918)
Accounts payable and accrued expenses	128,263	23,112
Agency payable	-	(100,000)
Deferred revenue	<u>250,194</u>	<u>4,895</u>
Net Cash from Operating Activities	<u>737,039</u>	<u>658,170</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(46,642)	(104,301)
Change in investments	12,547	(75,327)
Proceeds from sale of investments	<u>-</u>	<u>12,918</u>
Net Cash from Investing Activities	<u>(34,095)</u>	<u>(166,710)</u>
Change in Cash	702,944	491,460
<b>CASH</b>		
Beginning of year	<u>4,327,086</u>	<u>3,835,626</u>
End of year	<u>\$ 5,030,030</u>	<u>\$ 4,327,086</u>

See notes to consolidated financial statements

## **VisionSpring, Inc.**

### Notes to Consolidated Financial Statements

December 31, 2017

#### **1. Organization**

VisionSpring, Inc. ("VisionSpring"), is a not for profit organization established to create access to affordable eyewear for people earning less than \$4 per day in emerging and frontier markets. VisionSpring uses multiple distribution channels to deliver affordable, stylish, high-quality eyeglasses to poor and low income communities across the globe. VisionSpring aims to create replicable and scalable delivery methods to reach this customer-base with the eyeglasses they need to live full and productive lives.

- VisionSpring is a non-profit organization located in the United States that distributes eyeglasses through retail and wholesale channels, and various initiatives that train local people in India to screen people and sell eyeglasses in rural communities. In Bangladesh, VisionSpring collaborates with the Bangladesh Rural Advancement Committee ("BRAC"), an international NGO, to train local community health workers to do the same.
- The consolidated financial statements include VisionSpring, Inc., India's ("VisionSpring India") four entities. All entities provide eyeglasses and eyewear products through fixed location optical shops and community outreach work.

VisionSpring is exempt from federal income taxes pursuant to Section 501(c)(3) of the Internal Revenue Code and from state and local taxes under comparable laws. In addition, VisionSpring Private Limited has not made any profit and therefore no tax provision has been recorded.

#### **2. Principles of Consolidation**

These financial statements are prepared on a consolidated basis and include the accounts and activities of VisionSpring and VisionSpring India. The consolidated entity is collectively referred to as the "Organization." All intercompany transactions and balances have been eliminated in consolidation.

#### **3. Summary of Significant Accounting Policies**

##### ***Basis of Presentation***

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

## VisionSpring, Inc.

Notes to Consolidated Financial Statements  
December 31, 2017

### 3. Summary of Significant Accounting Policies (*continued*)

#### ***Use of Estimates***

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

#### ***Net Asset Presentation***

The classification of the Organization's net assets and its support, revenue and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of three classes of net assets, permanently restricted, temporarily restricted and unrestricted, be displayed in the consolidated statement of financial position and that the amounts of change in each of those classes of net assets be displayed in the consolidated statement of activities.

The classes of net assets are defined as follows:

**Unrestricted** - The part of net assets that is neither permanently nor temporarily restricted by donor-imposed stipulations.

**Temporarily Restricted** - 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. When such stipulations end or are fulfilled, such temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities.

**Permanently Restricted** - 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 has no permanently restricted net assets as of December 31, 2017 and 2016.

#### ***Investments***

Investments at December 31, 2017 consist of two certificates of deposit which are stated at cost plus accrued interest (which approximates fair value). The certificates of deposit at December 31, 2017 bear interest at 6.75% and 6.85% and mature on November 16, 2018 and November 3, 2019. Investments at December 31, 2016 consist of a certificate of deposit which is stated at cost plus accrued interest (which approximates fair value). The certificate of deposit at December 31, 2016 bears interest at 7.50% and matured on October 5, 2017.

## VisionSpring, Inc.

Notes to Consolidated Financial Statements  
December 31, 2017

### 3. Summary of Significant Accounting Policies *(continued)*

#### ***Allowance for Doubtful Accounts***

An allowance for doubtful accounts is established for amounts where there exists doubt as to whether an amount will be fully collected. The determination of this allowance is an estimate based on the Organization's historical experience, review of account balances and expectations relative to collections. As of December 31, 2017 and 2016 no allowance for doubtful accounts has been deemed necessary.

#### ***Inventory***

Inventories consist of reading glasses, frames and cases, which are stated at the lower of cost or net realizable value, with cost being determined by the first-in, first-out method.

#### ***Property and Equipment***

Property and equipment is carried at cost less accumulated depreciation and amortization. Depreciation and amortization is provided under the straight-line method over the estimated useful lives of the assets which range from 2 to 20 years. The Organization has established a \$1,000 threshold above which assets are capitalized.

#### ***Contributions and Grants***

Contributions and grants received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Contributions and grants with purpose or time restrictions are reported as increases in temporarily restricted net assets. When a donor restriction expires, that is, when a time restriction ends or purpose restriction is fulfilled, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities as net assets released from restrictions.

Unconditional promises to give are recognized as contribution revenue in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received and are classified as unrestricted, temporarily restricted, or permanently restricted support. Promises to give are recorded at net realizable value if expected to be collected in one year. Unconditional promises to give that are expected to be collected in the future years are recorded at the present value of these estimated future cash flows.

Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

## VisionSpring, Inc.

Notes to Consolidated Financial Statements  
December 31, 2017

### 3. Summary of Significant Accounting Policies *(continued)*

#### ***Earned Income***

Earned income from the sale of eyeglasses and eye care products are recorded when the products are shipped to customers. Earned income from consulting fees are recorded in the period services are provided. Consulting fees received in advance are reported in the accompanying consolidated statement of financial position as deferred revenue.

#### ***Donated Goods***

The Organization records contributions of eyeglass lenses, cases and frames by manufacturers. The contributed goods are added to inventory when received and expensed when sold.

#### ***Foreign Currency Translation***

The Organization's functional currency is the United States Dollar. As such, assets and liabilities denominated in foreign currencies are translated at year-end exchange rates and revenue and expenses are translated at average exchange rates during the year. Gains and losses from foreign currency translation for the period are included in the consolidated statement of activities.

#### ***Advertising Costs***

Advertising costs are expensed as incurred. Advertising costs for 2017 and 2016 were \$40,005 and \$18,371.

#### ***Functional Allocation of Expenses***

The costs of providing various program and other activities have been summarized on a functional basis in the consolidated statement of activities and in the consolidated statement of functional expenses. Accordingly, certain costs have been allocated among program and supporting services.

#### ***Accounting for Uncertainty in Income Taxes***

The Organization recognizes the effect of income tax positions only when they are more likely than not to be sustained. Management has determined that the Organization had no uncertain tax positions that would require financial statement recognition or disclosure. The Organization is no longer subject to examinations by the applicable taxing jurisdictions for the periods prior to 2014.

## VisionSpring, Inc.

Notes to Consolidated Financial Statements  
December 31, 2017

### 3. Summary of Significant Accounting Policies *(continued)*

#### ***Prior Year Summarized Comparative Information***

The consolidated financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements as of and for the year ended December 31, 2016, from which the summarized information was derived.

#### ***Subsequent Events***

Management has evaluated subsequent events for disclosure and/or recognition in the consolidated financial statements through the date that the consolidated financial statements were available to be issued, which is October 16, 2018.

### 4. Concentration of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash (including CDs) and receivables. Receivables are expected to be collected in the normal course of business. The Organization maintains its cash in bank deposits in two financial institutions. At times, these accounts may exceed the federal insurance limits, and subject the Organization to a concentration of credit risk. The Organization has not experienced any losses in such accounts and believes that it is not exposed to any significant credit risk on uninsured cash.

Approximately 35% and 22% of total support and revenue consists of contributions and grants derived from two grantors for the years ended December 31, 2017 and 2016.

### 5. Receivables

Pledges receivable shown in the accompanying consolidated statement of financial position are all due within one year.

Accounts and other receivables consist of the following at December 31:

	<u>2017</u>	<u>2016</u>
VisionSpring, Inc.	\$ 145,471	\$ 39,931
VisionSpring India	<u>230,786</u>	<u>175,858</u>
	<u>\$ 376,257</u>	<u>\$ 215,789</u>

## VisionSpring, Inc.

### Notes to Consolidated Financial Statements December 31, 2017

#### 6. Property and Equipment

Property and equipment consists of the following at December 31:

	<u>2017</u>	<u>2016</u>
Machinery and equipment	\$ 345,946	\$ 292,382
Furniture and fixtures	72,345	68,283
Leasehold improvements	<u>6,600</u>	<u>6,600</u>
	424,891	367,265
Accumulated depreciation and amortization	<u>(237,765)</u>	<u>(171,082)</u>
	<u>\$ 187,126</u>	<u>\$ 196,183</u>

#### 7. Temporarily Restricted Net Assets

Temporarily restricted net assets are as follows at December 31:

	<u>2017</u>	<u>2016</u>
BRAC/Bangladesh program costs	\$ 23,359	\$ 76,953
Global Partnerships	-	200,000
Clear Vision Workplace	<u>52,000</u>	<u>-</u>
	<u>\$ 75,359</u>	<u>\$ 276,953</u>

Net assets were released from donor restrictions as follows during the years ended December 31:

	<u>2017</u>	<u>2016</u>
BRAC/Bangladesh program costs	\$ 194,594	\$ 542,470
Global Partnerships	1,095,719	100,000
Time restricted	<u>-</u>	<u>575,143</u>
	<u>\$ 1,290,313</u>	<u>\$ 1,217,613</u>

#### 8. BRAC/Bangladesh Program Costs

In 2017 and 2016, VisionSpring invested in the BRAC program for Bangladesh by granting approximately \$536,000 and \$729,000. The investment contributed to the sale of eyeglasses and eyewear of approximately \$171,000 units in 2017 and 272,000 units in 2016.

**VisionSpring, Inc.**

Notes to Consolidated Financial Statements  
December 31, 2017

**9. Pension Plan**

VisionSpring has a defined contribution plan for its employees. Under this plan, VisionSpring matches 100% up to 4% of compensation. VisionSpring contributed \$23,686 and \$17,728 for 2017 and 2016.

VisionSpring India has a contribution plan for certain employees. Under this plan, VisionSpring India contributes up to 12% of compensation. VisionSpring India contributed \$6,019 and \$6,434 for 2017 and 2016.

**10. Commitments**

In February 2015, VisionSpring entered into a five year non-cancelable lease for office space. This lease is scheduled to end in June 2020. Future minimum rental payments under this lease are as follows:

2018	\$ 64,541
2019	66,478
2020	<u>28,039</u>
	<u>\$ 159,058</u>

VisionSpring India has multiple annual leases for office space and operations. Generally, these leases are cancellable on one to three months' notice.

Rent and utilities expense was \$219,997 and \$165,991 for 2017 and 2016.

\* \* \* \* \*

**VisionSpring, Inc.**

Supplementary Financial Information

December 31, 2017

**VisionSpring, Inc.**

Consolidating Schedule of Financial Position  
December 31, 2017

	VisionSpring, Inc.	VisionSpring, Inc., India	Total
<b>ASSETS</b>			
Cash	\$ 4,924,791	\$ 105,239	\$ 5,030,030
Investments	-	62,780	62,780
Pledges receivable	759,810	-	759,810
Accounts and other receivables	145,471	230,786	376,257
Inventory	32,701	455,313	488,014
Other assets	24,052	154,265	178,317
Property and equipment, net	<u>16,781</u>	<u>170,345</u>	<u>187,126</u>
	<u>\$ 5,903,606</u>	<u>\$ 1,178,728</u>	<u>\$ 7,082,334</u>
<b>LIABILITIES AND NET ASSETS</b>			
Liabilities			
Accounts payable and accrued expenses	\$ 279,484	\$ 170,410	\$ 449,894
Deferred revenue	<u>255,089</u>	-	<u>255,089</u>
Total Liabilities	<u>534,573</u>	<u>170,410</u>	<u>704,983</u>
Net Assets			
Unrestricted	5,293,674	1,008,318	6,301,992
Temporarily restricted	<u>75,359</u>	-	<u>75,359</u>
Total Net Assets	<u>5,369,033</u>	<u>1,008,318</u>	<u>6,377,351</u>
	<u>\$ 5,903,606</u>	<u>\$ 1,178,728</u>	<u>\$ 7,082,334</u>

See independent auditors' report

## VisionSpring, Inc.

### Consolidating Schedule of Activities Year Ended December 31, 2017

	VisionSpring, Inc.			VisionSpring, Inc., India	Eliminating Entries	Total
	Unrestricted	Temporarily Restricted	Total			
<b>SUPPORT AND REVENUE</b>						
Contributions and grants	\$ 4,156,376	\$ 1,088,719	\$ 5,245,095	\$ 1,221,709	\$ (1,067,414)	\$ 5,399,390
Earned income	196,301	-	196,301	1,086,929	(460,371)	822,859
Investment income	-	-	-	7,703	-	7,703
Other income	2,104	-	2,104	1,929	-	4,033
Released from restrictions	<u>1,290,313</u>	<u>(1,290,313)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Support and Revenue	<u>5,645,094</u>	<u>(201,594)</u>	<u>5,443,500</u>	<u>2,318,270</u>	<u>(1,527,785)</u>	<u>6,233,985</u>
<b>EXPENSES</b>						
Program						
India	1,732,731	-	1,732,731	2,092,546	(1,527,785)	2,297,492
Global partnerships	<u>1,685,996</u>	<u>-</u>	<u>1,685,996</u>	<u>-</u>	<u>-</u>	<u>1,685,996</u>
Total Program	3,418,727	-	3,418,727	2,092,546	(1,527,785)	3,983,488
Management and general	677,604	-	677,604	-	-	677,604
Fundraising	<u>385,197</u>	<u>-</u>	<u>385,197</u>	<u>-</u>	<u>-</u>	<u>385,197</u>
Total Expenses	<u>4,481,528</u>	<u>-</u>	<u>4,481,528</u>	<u>2,092,546</u>	<u>(1,527,785)</u>	<u>5,046,289</u>
Change in Net Assets Before Foreign						
Currency Translation Gain	1,163,566	(201,594)	961,972	225,724	-	1,187,696
Foreign currency translation gain	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,067</u>	<u>-</u>	<u>50,067</u>
Change in Net Assets	1,163,566	(201,594)	961,972	275,791	-	1,237,763
<b>NET ASSETS</b>						
Beginning of year	<u>4,130,108</u>	<u>276,953</u>	<u>4,407,061</u>	<u>732,527</u>	<u>-</u>	<u>5,139,588</u>
End of year	<u>\$ 5,293,674</u>	<u>\$ 75,359</u>	<u>\$ 5,369,033</u>	<u>\$ 1,008,318</u>	<u>\$ -</u>	<u>\$ 6,377,351</u>

See independent auditors' report