

NAMASTE FOUNDATION

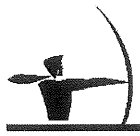
(A Nonprofit Corporation)

FINANCIAL REPORT

DECEMBER 31, 2015

CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Statement of financial position	2
Statement of activities	3
Statement of functional expenses	4
Statement of cash flows	5
Notes to financial statements	6 - 8



B O W M A N
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Namaste Foundation
(A Nonprofit Corporation)
San Francisco, California

We have audited the accompanying financial statements of **Namaste Foundation (A Nonprofit Corporation)** which comprise of the statement of financial position as of December 31, 2015, and the related statements 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

The Foundation's 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 audits. 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 Namaste Foundation as of December 31, 2015 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.

Bowman & Company, LLP

Stockton, California
August 30, 2016

Established 1949
www.cpbowman.com

Bowman & Company, LLP
10100 Trinity Parkway, Suite 310
Stockton, CA 95219

Telephone: 209.473.1040
Facsimile: 209.473.9771

NAMASTE FOUNDATION
(A Nonprofit Corporation)

STATEMENT OF FINANCIAL POSITION

December 31, 2015

See Independent Auditor's Report

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 170,174
Total current assets	<u>170,174</u>

FURNITURE AND EQUIPMENT, at cost

Less accumulated depreciation	174,164
	<u>(112,063)</u>
	<u>62,101</u>

TOTAL ASSETS	\$ <u><u>232,275</u></u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accrued liabilities	\$ 693
Grant payable	1,298
Trip deposits payable	<u>3,700</u>
Total current liabilities	<u>5,691</u>

NET ASSETS

Unrestricted	184,770
Temporarily restricted	<u>41,814</u>
Total net assets	<u>226,584</u>

TOTAL LIABILITIES AND NET ASSETS	\$ <u><u>232,275</u></u>
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See Notes to Financial Statements.

NAMASTE FOUNDATION
(A Nonprofit Corporation)

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2015

See Independent Auditor's Report

Unrestricted Net Assets

REVENUES AND SUPPORT

Contributions	\$ 348,212
Other income	5,347
Interest income	<u>57</u>
Total revenues and support	<u>353,616</u>

EXPENSES

Program services	343,836
Management and general	8,377
Fundraising	<u>8,380</u>
Total expenses	<u>360,593</u>

Decrease in unrestricted net assets	<u>(6,977)</u>
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Temporarily Restricted Net Assets

Contributions	<u>6,264</u>
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Increase in temporarily restricted net assets	<u>6,264</u>
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Decrease in net assets	(713)
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Net assets, beginning of year	<u>227,297</u>
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Net assets, end of year	<u>\$ 226,584</u>
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See Notes to Financial Statements.

NAMASTE FOUNDATION
(A Nonprofit Corporation)

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2015

See Independent Auditor's Report

	Program Services	Management and General	Fundraising	Total
Direct grants	\$ 279,535	\$ --	\$ --	\$ 279,535
Depreciation and amortization	34,327	206	--	34,533
Consulting	11,009	--	--	11,009
Accounting and legal fees	4,583	4,582	--	9,165
Microcredit study trips	5,499	--	--	5,499
In-country management review costs	4,834	--	--	4,834
Annual fundraiser	--	--	4,067	4,067
Miscellaneous	538	785	2,725	4,048
Computer	1,205	1,205	--	2,410
Online data base	1,850	--	--	1,850
Telephone and utilities	356	1,073	--	1,429
Printing and publications	--	--	881	881
Supplies	100	481	--	581
Travel	--	--	554	554
Marketing	--	--	108	108
Postage and shipping	--	45	45	90
Totals	\$ 343,836	\$ 8,377	\$ 8,380	\$ 360,593

See Notes to Financial Statements.

NAMASTE FOUNDATION
(A Nonprofit Corporation)

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2015

See Independent Auditor's Report

CASH FLOWS FROM OPERATING ACTIVITIES

Decrease in unrestricted net assets	\$ (713)
Adjustments to reconcile change in unrestricted net assets to net cash used in operating activities:	
Depreciation and amortization	34,533
Donation of marketable securities	(5,075)
Changes in unrestricted assets and liabilities:	
(Decrease) increase in:	
Accrued liabilities	693
Trip deposits payable	<u>3,700</u>
Net cash provided by operating activities	<u>33,138</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from sale of donated marketable securities	8,167
Purchase of equipment	<u>(2,758)</u>
Net cash provided by investing activities	<u>5,409</u>

Increase in cash and cash equivalents	38,547
Cash and cash equivalents	
Beginning	<u>131,627</u>
Ending	<u>\$ 170,174</u>

See Notes to Financial Statements.

NAMASTE FOUNDATION
(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Organization and Significant Accounting Policies

Namaste Foundation (the Foundation) is A Nonprofit Corporation. The Foundation was organized for the primary purpose of providing charitable, scientific and educational services. The primary project of the Foundation is Namaste Direct. Namaste Direct's purpose is to provide microcredit loan funds with business and vocational training and mentorship for poor entrepreneurs in developing countries.

A summary of significant accounting policies applied in the preparation of the financial statements follows.

Basis of presentation

The Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

The net asset categories are as follows:

Unrestricted net assets:

Unrestricted net assets are those net assets presently available for use by the Foundation at the discretion of the Board of Trustees.

Temporarily restricted net assets:

Temporarily restricted net assets are those net assets subject to specific, donor-imposed restrictions that must be met by actions of the Foundation and/or passage of time.

At December 31, 2015, the Foundation had no permanently restricted net assets.

Cash and cash equivalents

For purposes of reporting the statement of cash flows, the Foundation includes all highly liquid investments, with a maturity of three months or less, as cash on the accompanying statement of financial position.

Property and equipment

The Foundation's policy is to capitalize any additions in excess of \$1,000. Depreciation is computed using straight-line over five years for furniture and equipment.

**NAMASTE FOUNDATION
(A Nonprofit Corporation)**

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Organization and Significant Accounting Policies (Cont.)

Fair value of financial instruments

The carrying amount of financial instruments, including cash, accrued liabilities and grants payable, approximate their value due to the short-term maturities of these instruments.

Revenue recognition

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is 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 and reported in the Statement of Activities as net assets released from restrictions.

Income Tax Status

The Organization has been granted tax-exempt status by the Internal Revenue Service under IRC Section 501(c)3 and the California Franchise Tax Board under Section 23701(d). The Organization is classified by the Internal Revenue Service as an other-than-private foundation. Accordingly, no provision for federal or state income taxes is made in the accompanying financial statements. The Organization's Forms 990, *Return of Organization Exempt from Income Tax*, are subject to examination by the IRS, generally for three years after they were filed.

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 that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates

Subsequent events

Management has evaluated subsequent events through August 30, 2016, the date the financial statements were available to be issued.

**NAMASTE FOUNDATION
(A Nonprofit Corporation)**

NOTES TO FINANCIAL STATEMENTS

Note 2. Related Party Transactions

During the year ended December 31, 2015, the Foundation received contributions of \$90,420 from members of the Board of Trustees.