

THE PRASAD PROJECT, INC. AND SUBSIDIARY

**CONSOLIDATED FINANCIAL STATEMENTS
AND
SUPPLEMENTARY INFORMATION**

DECEMBER 31, 2014 AND 2013

THE PRASAD PROJECT, INC. AND SUBSIDIARY

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
The PRASAD Project, Inc. and Subsidiary

We have audited the accompanying consolidated financial statements of The PRASAD Project, Inc. (a nonprofit organization) and Subsidiary, which comprise the consolidated statements of financial position as of December 31, 2014 and 2013, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the 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 consolidated 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 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 audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of The PRASAD Project, Inc. and Subsidiary as of December 31, 2014 and 2013, 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The Consolidated Schedule of Functional Expenses is presented for purposes of additional analysis and is 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 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, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Report on Consolidating Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information shown as supplementary information is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, and cash flows of the individual companies, and it is 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 consolidating information has been subjected to the auditing procedures applied in the audits 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, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Lotz + Carr, LLP

New York, New York
October 9, 2015

THE PRASAD PROJECT, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
Assets		
Cash and cash equivalents (Notes 1c and 10)	\$ 739,788	\$ 748,484
Accounts receivable	42,509	5,892
Unconditional promises to give (Notes 1d and 3)		
Unrestricted	91,472	24,379
Temporarily restricted	28,593	47,338
Prepaid expenses	19,230	16,031
Investments (Notes 1e and 4)	1,533,077	1,265,541
Property and equipment, at cost, net of accumulated depreciation (Notes 1f and 5)	227,747	264,720
Security deposits	<u>3,420</u>	<u>3,420</u>
Total Assets	<u>\$2,685,836</u>	<u>\$2,375,805</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	<u>\$ 88,395</u>	<u>\$ 41,302</u>
Commitments (Note 6)		
Net Assets		
Unrestricted		
Board Designated Reserve (Note 2a)	1,533,077	-
Other	<u>1,035,771</u>	<u>2,287,165</u>
Total Unrestricted	2,568,848	2,287,165
Temporarily restricted (Note 2b)	<u>28,593</u>	<u>47,338</u>
Total Net Assets	<u>2,597,441</u>	<u>2,334,503</u>
Total Liabilities and Net Assets	<u>\$2,685,836</u>	<u>\$2,375,805</u>

See notes to consolidated financial statements.

THE PRASAD PROJECT, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
Changes in Unrestricted Net Assets		
Operating Activities		
Revenues, Gains and Other Support		
Third party medical insurance reimbursement	\$ 110,151	\$ 132,732
Contributions	826,910	653,802
Benefit income	9,707	11,934
Less: Direct benefit expenses	(2,880)	(3,100)
Donated services (Note 7)	12,822	10,296
Interest and dividend income	744	1,787
Other income	63,450	7,324
	<u>1,020,904</u>	<u>814,775</u>
Net assets released from restrictions		
Satisfaction of time and program restrictions	44,130	41,440
	<u>1,065,034</u>	<u>856,215</u>
Expenses		
Program Services		
Sullivan County Dental	404,102	433,653
Tansa Valley	134,700	193,854
Constituency Education	87,108	101,452
Mexico and Other Affiliates	89,342	103,696
Disaster Relief	-	32,768
Total Program Services	<u>715,252</u>	<u>865,423</u>
Supporting Services		
Management and general	67,453	59,160
Fundraising	16,785	21,612
Total Supporting Services	<u>84,238</u>	<u>80,772</u>
Total Expenses	<u>799,490</u>	<u>946,195</u>
Increase (Decrease) in Unrestricted Net Assets from Operations	265,544	(89,980)
Non-Operating Activities		
Net investment income (Note 4)	16,139	18,147
Increase (Decrease) in Unrestricted Net Assets	<u>281,683</u>	<u>(71,833)</u>
Changes in Temporarily Restricted Net Assets		
Contributions	25,385	38,879
Net assets released from restrictions	<u>(44,130)</u>	<u>(41,440)</u>
Decrease in Temporarily Restricted Net Assets	<u>(18,745)</u>	<u>(2,561)</u>
Increase (decrease) in net assets	262,938	(74,394)
Net assets, beginning of year	<u>2,334,503</u>	<u>2,408,897</u>
Net Assets, End of Year	<u><u>\$2,597,441</u></u>	<u><u>\$2,334,503</u></u>

See notes to consolidated financial statements.

THE PRASAD PROJECT, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
Cash Flows From Operating Activities		
Increase (decrease) in net assets	\$ 262,938	\$ (74,394)
Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	41,668	43,550
Realized and unrealized loss on investments	13,581	6,702
Bad debt expense	16,002	16,584
Gain on sale of property and equipment	(45,000)	-
(Increase) decrease in:		
Accounts receivable	(52,619)	(8,054)
Unconditional promises to give	(48,348)	2,381
Prepaid expenses	(3,199)	937
Increase (decrease) in accounts payable and accrued expenses	47,093	(3,411)
Net Cash Provided (Used) By Operating Activities	<u>232,116</u>	<u>(15,705)</u>
Cash Flows From Investing Activities		
Proceeds from sale of investments	11,320	490,328
Purchase of investments	(292,437)	(315,741)
Proceeds from sale of property and equipment	45,000	-
Acquisition of property and equipment	(4,695)	(3,168)
Net Cash Provided (Used) By Investing Activities	<u>(240,812)</u>	<u>171,419</u>
Net increase (decrease) in cash and cash equivalents	(8,696)	155,714
Cash and cash equivalents, beginning of year	<u>748,484</u>	<u>592,770</u>
Cash and Cash Equivalents, End of Year	<u>\$ 739,788</u>	<u>\$ 748,484</u>

See notes to consolidated financial statements.

THE PRASAD PROJECT, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

Note 1 - Organization and Summary of Significant Accounting Policies

a - Organization

The PRASAD Project, Inc. ("PRASAD") was incorporated in the State of New York on March 13, 1992. PRASAD's sole member is the Syda Foundation, a 501(c)(3) tax exempt church organization under the laws of the State of New York. PRASAD is an acronym that stands for Philanthropic Relief, Altruistic Service and Development. Its work began in the Tansa Valley of Maharashtra State, India. Working in partnership with people in need and their communities, PRASAD's mission is to help improve the quality of life and offer opportunities for self-reliance. Its areas of focus are rural family health, eye care, nutrition, clean water, community assistance, and education. In addition to operating its own programs, The PRASAD Project, Inc. collaborates with related PRASAD organizations in India, Europe, Mexico and Australia on programs which include cataract eye operations, an HIV program, a tuberculosis program, and a maternal child health program. A hospital was opened in the village of Ganeshpuri in 2003, which operates a mobile clinic that travels to the rural area offering medical care to the villagers and community development work, including self-help groups and a water harvesting program. In Mexico, eye camps continue to be held by a related organization, offering sight-restoring cataract surgery in alliance with APEC, Conde de la Valencia and over 50 medical volunteers.

PRASAD is the sole member of PRASAD Children's Dental Health Program, Inc. ("CDHP"), incorporated in 1998 and registered in the spring of 2000 as a New York State Article 28 Clinic to serve the dental needs of the indigent pediatric population of Sullivan County, New York. The clinic is fully staffed and is equipped with two operatories. During 2012, PRASAD became the sole member of CDHP. In addition to clinic procedures, dental health education continued in local schools, through classes and fluoride rinse and tablet programs.

b - Principles of Consolidation

The accompanying consolidated financial statements include the accounts of The PRASAD Project, Inc. and its member organization PRASAD Children's Dental Health Program, Inc. (together "The Organization"). All significant intercompany transactions have been eliminated in the consolidated financial statements.

c - Cash and Cash Equivalents

The Organization considers all short-term highly liquid investments, purchased with original maturities of three months or less to be cash equivalents, except for money market accounts held in the Organization's investment portfolio as part of its long-term investment strategies.

THE PRASAD PROJECT, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

d - Unconditional Promises to Give and Contributions

Contributions are recognized when the donor makes a promise to give to the Organization, that is, in substance, unconditional. Contributions that are restricted by the 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.

The Organization uses the allowance method to determine uncollectible promises to give. The allowance, when necessary, is based on prior years' experience and management's analysis of specific promises made.

e - Investments

The Organization reflects investments at fair value in the consolidated statement of financial position. Interest, dividends and gains and losses on investments are reflected in the consolidated statement of activities as increases and decreases in unrestricted net assets

Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity-based measurement. Generally accepted accounting principles establish a framework for measuring fair value which maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those the market participants would use in pricing the asset based on market data obtained from sources independent of the Organization. Unobservable inputs reflect the Organization's assumptions about the inputs market participants would use in pricing the asset based on the best information available in the circumstances.

Fair value measurements are categorized into three levels as follows:

- Level 1 Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.
- Level 2 Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.
- Level 3 Inputs that are unobservable.

THE PRASAD PROJECT, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

e - Investments (continued)

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

All of the Organization's investments are classified within Level 1 of the fair value hierarchy. Fair value is determined using quoted market prices.

f - Property and Equipment

Furniture, equipment and leasehold improvements are reflected at cost, or if donated, at the fair market value at date of receipt. Depreciation and amortization are computed using the straight-line method over the estimated useful life of the asset, or in the case of leasehold improvements, over the life of the lease, if shorter.

g - Financial Statement Presentation

The Organization reports 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.

h - Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

i - Tax Status

The PRASAD Project, Inc. and PRASAD Children's Dental Health Program, Inc. are not-for-profit corporations exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and have been designated organizations that are not private foundations. Management has evaluated all income tax positions and concluded that there are no uncertain tax positions that require disclosure in the financial statements. The Organization's tax returns are generally subject to examination by taxing authorities for a period of three years from the date of filing.

j - Subsequent Events

The Organization has evaluated subsequent events through October 9, 2015, the date that the financial statements are considered available to be issued.

THE PRASAD PROJECT, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

Note 2 - Net Assets

a - During 2014, the Board of Directors established a board designated reserve from its existing investment portfolio.

b - Temporarily restricted net assets are restricted for future programs and periods.

Note 3 - Unconditional Promises to Give

Unconditional promises to give are due as follows:

	<u>2014</u>	<u>2013</u>
Due in less than one year	\$120,065	\$65,903
Due in one to five years	-	6,000
	<u>120,065</u>	<u>71,903</u>
Less: Discount to present value	-	(186)
	<u>\$120,065</u>	<u>\$71,717</u>

Uncollectible promises to give are expected to be insignificant. Unconditional promises to give due after one year are reflected at net present value using a discount rate of 3%.

Note 4 - Investments

Investments at December 31, 2014 and 2013 are all classified within Level 1 of the fair value hierarchy and consist of the following:

	<u>2014</u>		<u>2013</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Equities, mutual funds and exchange traded funds	\$1,070,236	\$1,084,435	\$ 758,220	\$ 760,954
Certificates of deposit	299,445	300,000	-	-
Money market funds	<u>163,396</u>	<u>163,396</u>	<u>507,321</u>	<u>507,321</u>
	<u>\$1,533,077</u>	<u>\$1,547,831</u>	<u>\$1,265,541</u>	<u>\$1,268,275</u>

THE PRASAD PROJECT, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

Note 4 - Investments (continued)

Net investment income for the years ended December 31, 2014 and 2013 consists of the following:

	<u>2014</u>	<u>2013</u>
Interest and dividend income	\$41,040	\$32,700
Realized gains (losses) on sales of investments	(1,561)	1,569
Unrealized losses on investments	(12,020)	(8,271)
Investment management fees	<u>(11,320)</u>	<u>(7,851)</u>
	<u>\$16,139</u>	<u>\$18,147</u>

Note 5 - Property and Equipment

Property and equipment consist of the following at December 31:

	<u>Life</u>	<u>2014</u>	<u>2013</u>
Mobile dental clinics	10 years	\$312,108	\$570,980
Furniture and equipment	3-10 years	129,659	132,874
Computer equipment and website	3-5 years	80,488	79,793
Leasehold improvements	Life of lease	<u>177,052</u>	<u>173,052</u>
		699,307	956,699
Less: Accumulated depreciation		<u>(471,560)</u>	<u>(691,979)</u>
		<u>\$227,747</u>	<u>\$264,720</u>

Depreciation and amortization expense for the years ended December 31, 2014 and 2013 was \$41,668 and \$43,550, respectively.

During 2014 and 2013, the Organization disposed of fully depreciated computer equipment and furniture in the amount of \$3,215 and \$4,785, respectively. During 2014, the Organization sold a fully depreciated mobile dental clinic for \$45,000.

THE PRASAD PROJECT, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

Note 6 - Commitments

a - Office lease

The Organization occupies office space under a lease with the SYDA Foundation that was extended and amended in 2013 to require annual rental payments of \$20,652 per year through December 31, 2017.

Rent expense for the years ended December 31, 2014 and 2013 were \$20,651 and \$21,670, respectively.

b - Funding and Service Agreements

In May 2000, PRASAD entered into an arrangement with CDHP, to provide dental services to the indigent pediatric population of New York State. Under an administrative support and use of assets agreement, PRASAD provides all administrative and supervisory services necessary, as well as equipment, computers, software, furniture and supplies reasonably required to provide the dental services. PRASAD makes grants to CDHP towards the furtherance of its purpose.

PRASAD made grants to CDHP totaling \$45,000 (2014) and \$69,374 (2013). PRASAD also provided additional donated materials and services in the amount of \$91,025 (2014) and \$96,716 (2013). These amounts have been eliminated within the consolidated financial statements.

Note 7 - Donated Services

Donated services for the years ended December 31, 2014 and 2013 consist of the following:

	<u>2014</u>	<u>2013</u>
Legal services	\$12,500	\$ 5,500
Other services	322	296
Accounting services	<u>-</u>	<u>4,500</u>
	<u>\$12,822</u>	<u>\$10,296</u>

THE PRASAD PROJECT, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

Note 8 - Grants

The Board of Directors approved the following grants during 2014 and 2013:

	<u>2014</u>	<u>2013</u>
PRASAD Chikitsa, a public charitable trust created in India	\$41,574	\$64,500
PRASAD de Mexico, a public charitable trust created in Mexico	700	595
Disaster relief grants and program support	<u>-</u>	<u>32,768</u>
Total Grants	<u>\$42,274</u>	<u>\$97,863</u>

Note 9 - Tax Deferred Compensation Plan

The Organization has a tax-deferred compensation plan qualified under Section 403(b) of the Internal Revenue Code. The plan covers full-time employees of the Organization. Employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code. The Organization does not contribute to the plan.

Note 10 - Concentration of Credit Risk

The Organization maintains its cash and cash equivalents at financial institutions in New York. The cash balances, up to certain limits, are insured by the Federal Deposit Insurance Corporation. Balances commonly exceed these limits.

Note 11 - Functional Allocation of Expenses

The cost of providing the various program and supporting services has been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated by management among the programs and the supporting services benefited.

THE PRASAD PROJECT, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

Note 12 - Related Organizations

The PRASAD Project, Inc. represents the *Worldwide PRASAD Organization* which seeks to build a highly diversified movement of organizations to improve the quality of life and create opportunities for self-reliance.

As of December 31, 2014, there were six approved PRASAD Organizations conducting operations, including CDHP. Four entities have obtained charitable status equivalent in India, Mexico, Spain, and Australia. The PRASAD Project, Inc. shares no more than one common member on the Board of Trustees of each of these entities, and accordingly, the transactions of these entities have not been included in the accompanying consolidated financial statements. The PRASAD Project, Inc. provides support to these entities by providing funding for start-up costs, obtaining donated materials, and providing services and on-going program support.

SUPPLEMENTARY INFORMATION

THE PRASAD PROJECT, INC. AND SUBSIDIARY

CONSOLIDATED SCHEDULE OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2014 WITH COMPARATIVE TOTALS FOR 2013

	Program Services					Supporting Services			2014	2013	
	Sullivan County Dental	Tansa Valley	Constituency Education	Mexico and Other Affiliates	Disaster Relief	Total	Management and General	Fundraising	Total	Total Expenses	Total Expenses
Salaries	\$211,304	\$ 48,214	\$ 41,200	\$ 47,892	\$ -	\$348,610	\$ 22,513	\$ 8,961	\$31,474	\$380,084	\$449,170
Payroll taxes and employee benefits	38,890	8,502	7,249	8,404	-	63,045	3,724	1,541	5,265	68,310	86,367
Insurance	15,010	2,012	1,700	1,934	-	20,656	3,115	365	3,480	24,136	23,166
Disaster relief grants and program support	-	-	-	-	-	-	-	-	-	-	32,768
Direct program support to PRASAD Chikitsa	-	41,574	-	-	-	41,574	-	-	-	41,574	64,500
Direct program support to Mexico	-	-	-	700	-	700	-	-	-	700	595
Computer supplies	2,280	2,247	1,939	2,244	-	8,710	2,369	434	2,803	11,513	12,385
Travel	4,434	3,150	1,237	1,429	-	10,250	535	258	793	11,043	10,991
Printing	98	100	4,228	92	-	4,518	43	20	63	4,581	4,255
Photos/slides/graphics/video	-	-	-	-	-	-	-	-	-	-	30,809
Dental Supplies	12,260	-	-	-	-	12,260	-	-	-	12,260	9,540
Utilities	7,216	2,833	2,384	2,731	-	15,164	1,718	608	2,326	17,490	12,983
Telephone/fax/e-mail	4,080	2,268	1,937	2,241	-	10,526	860	426	1,286	11,812	11,169
Office supplies	4,678	443	374	433	-	5,928	153	82	235	6,163	6,851
Postage/shipping	1,815	1,073	2,304	929	-	6,121	354	171	525	6,646	7,888
Repairs and maintenance	10,276	2,175	1,960	2,220	-	16,631	790	403	1,193	17,824	16,990
Books/subscriptions	6	6	5	5	-	22	1	1	2	24	31
Professional fees/legal	1,694	1,807	2,142	1,633	-	7,276	5,674	-	5,674	12,950	6,926
Professional fees/accounting	2,958	3,154	3,741	2,851	-	12,704	12,796	-	12,796	25,500	20,500
Professional fees/other	15,746	5,891	6,986	5,324	-	33,947	7,089	1,817	8,906	42,853	32,314
Advertising	3,552	1,375	1,023	549	-	6,499	1,108	235	1,343	7,842	3,466
Fees/permits	977	222	186	217	-	1,602	82	38	120	1,722	3,788
Seminars and education	307	60	52	61	-	480	24	12	36	516	42
Meetings and venues	329	320	271	315	-	1,235	125	54	179	1,414	1,735
Rent	4,705	4,668	3,994	4,645	-	18,012	1,766	873	2,639	20,651	21,670
Miscellaneous	6,755	1,730	1,486	1,685	-	11,656	2,239	317	2,556	14,212	15,162
Bad debt expense and provision for uncollectible accounts	16,002	-	-	-	-	16,002	-	-	-	16,002	16,584
Depreciation and amortization	38,730	876	710	808	-	41,124	375	169	544	41,668	43,550
Total Expenses, 2014	\$404,102	\$134,700	\$ 87,108	\$ 89,342	\$ -	\$715,252	\$ 67,453	\$ 16,785	\$84,238	\$799,490	
Total Expenses, 2013	\$433,653	\$193,854	\$ 101,452	\$ 103,696	\$32,768	\$865,423	\$ 59,160	\$ 21,612	\$80,772		\$946,195

See independent auditors' report on supplementary information.

THE PRASAD PROJECT, INC. AND SUBSIDIARY
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2014 AND 2013

	2014				2013			
	The PRASAD Project, Inc.	PRASAD Children's Dental Health Program, Inc.	Consolidating Entries	Consolidated Totals	The PRASAD Project, Inc.	PRASAD Children's Dental Health Program, Inc.	Consolidating Entries	Consolidated Totals
Assets								
Cash and cash equivalents (Notes 1c and 10)	\$ 438,508	\$ 301,280	\$ -	\$ 739,788	\$ 488,807	\$ 259,677	\$ -	\$ 748,484
Accounts receivable	-	42,509	-	42,509	-	5,892	-	5,892
Due from CDHP	935	-	(935)	-	634	-	(634)	-
Unconditional promises to give (Notes 1d and 3)								
Unrestricted	75,043	16,429	-	91,472	20,840	3,539	-	24,379
Temporarily restricted	-	28,593	-	28,593	-	47,338	-	47,338
Prepaid expenses	8,227	11,003	-	19,230	6,390	9,641	-	16,031
Investments (Notes 1e and 4)	1,533,077	-	-	1,533,077	1,265,541	-	-	1,265,541
Property and equipment, at cost, net of accumulated depreciation (Notes 1f and 5)	8,426	219,321	-	227,747	12,216	252,504	-	264,720
Security deposits	3,420	-	-	3,420	3,420	-	-	3,420
Total Assets	\$ 2,067,636	\$ 619,135	\$ (935)	\$ 2,685,836	\$ 1,797,848	\$ 578,591	\$ (634)	\$ 2,375,805
Liabilities and Net Assets								
Liabilities								
Accounts payable and accrued expenses	\$ 31,043	\$ 57,352	\$ -	\$ 88,395	\$ 29,482	\$ 11,820	\$ -	\$ 41,302
Due to PRASAD	-	935	(935)	-	-	634	(634)	-
Total Liabilities	31,043	58,287	(935)	88,395	29,482	12,454	(634)	41,302
Commitments (Note 6)								
Net Assets								
Unrestricted								
Board Designated Reserve (Note 2a)	1,533,077	-	-	1,533,077	-	-	-	-
Other	503,516	532,255	-	1,035,771	1,768,366	518,799	-	2,287,165
Total Unrestricted	2,036,593	532,255	-	2,568,848	1,768,366	518,799	-	2,287,165
Temporarily restricted (Note 2)	-	28,593	-	28,593	-	47,338	-	47,338
Total Net Assets	2,036,593	560,848	-	2,597,441	1,768,366	566,137	-	2,334,503
Total Liabilities and Net Assets	\$ 2,067,636	\$ 619,135	\$ (935)	\$ 2,685,836	\$ 1,797,848	\$ 578,591	\$ (634)	\$ 2,375,805

See independent auditors' report on consolidating information.

THE PRASAD PROJECT, INC. AND SUBSIDIARY
CONSOLIDATING STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014				2013			
	The PRASAD Project, Inc.	PRASAD Children's Dental Health Program, Inc.	Consolidating Entries	Consolidated Totals	The PRASAD Project, Inc.	PRASAD Children's Dental Health Program, Inc.	Consolidating Entries	Consolidated Totals
Changes in Unrestricted Net Assets								
Operating Activities								
Revenues, Gains and Other Support								
Third party medical insurance reimbursement	\$ -	\$ 110,151	\$ -	\$ 110,151	\$ -	\$ 132,732	\$ -	\$ 132,732
Contributions	712,669	159,241	(45,000)	826,910	568,378	154,798	(69,374)	653,802
Benefit income	-	9,707	-	9,707	-	11,934	-	11,934
Less: Direct benefit expenses	-	(2,880)	-	(2,880)	-	(3,100)	-	(3,100)
Donated services and occupancy (Note 7)	9,232	94,615	(91,025)	12,822	4,296	102,716	(96,716)	10,296
Interest and dividend income	722	22	-	744	1,524	263	-	1,787
Other income	48,377	15,073	-	63,450	3,391	3,933	-	7,324
	<u>771,000</u>	<u>385,929</u>	<u>(136,025)</u>	<u>1,020,904</u>	<u>577,589</u>	<u>403,276</u>	<u>(166,090)</u>	<u>814,775</u>
Net assets released from restrictions								
Satisfaction of time and program restrictions	-	44,130	-	44,130	-	41,440	-	41,440
Total Revenues, Gains and Other Support	<u>771,000</u>	<u>430,059</u>	<u>(136,025)</u>	<u>1,065,034</u>	<u>577,589</u>	<u>444,716</u>	<u>(166,090)</u>	<u>856,215</u>
Expenses								
Program Services								
Sullivan County Dental	136,024	313,078	(45,000)	404,102	166,017	337,010	(69,374)	433,653
Tansa Valley	134,700	-	-	134,700	193,854	-	-	193,854
Constituency Education	87,108	-	-	87,108	101,452	-	-	101,452
Mexico and Other Affiliates	89,342	-	-	89,342	103,696	-	-	103,696
Disaster Relief	-	-	-	-	32,768	-	-	32,768
Total Program Services	<u>447,174</u>	<u>313,078</u>	<u>(45,000)</u>	<u>715,252</u>	<u>597,787</u>	<u>337,010</u>	<u>(69,374)</u>	<u>865,423</u>
Supporting Services								
Management and general	54,953	100,339	(87,839)	67,453	53,160	92,280	(86,280)	59,160
Fundraising	16,785	3,186	(3,186)	16,785	21,612	10,436	(10,436)	21,612
Total Supporting Services	<u>71,738</u>	<u>103,525</u>	<u>(91,025)</u>	<u>84,238</u>	<u>74,772</u>	<u>102,716</u>	<u>(96,716)</u>	<u>80,772</u>
Total Expenses	<u>518,912</u>	<u>416,603</u>	<u>(136,025)</u>	<u>799,490</u>	<u>672,559</u>	<u>439,726</u>	<u>(166,090)</u>	<u>946,195</u>
Increase (Decrease) in Unrestricted Net Assets from Operations	252,088	13,456	-	265,544	(94,970)	4,990	-	(89,980)
Non-Operating Activities								
Net investment income (Note 4)	16,139	-	-	16,139	18,147	-	-	18,147
Increase (Decrease) in Unrestricted Net Assets	<u>268,227</u>	<u>13,456</u>	<u>-</u>	<u>281,683</u>	<u>(76,823)</u>	<u>4,990</u>	<u>-</u>	<u>(71,833)</u>
Changes in Temporarily Restricted Net Assets								
Contributions	-	25,385	-	25,385	-	38,879	-	38,879
Net assets released from restrictions	-	(44,130)	-	(44,130)	-	(41,440)	-	(41,440)
Decrease in Temporarily Restricted Net Assets	<u>-</u>	<u>(18,745)</u>	<u>-</u>	<u>(18,745)</u>	<u>-</u>	<u>(2,561)</u>	<u>-</u>	<u>(2,561)</u>
Increase (decrease) in net assets	268,227	(5,289)	-	262,938	(76,823)	2,429	-	(74,394)
Net assets, beginning of year	1,768,366	566,137	-	2,334,503	1,845,189	563,708	-	2,408,897
Net Assets, End of Year	<u>\$ 2,036,593</u>	<u>\$ 560,848</u>	<u>\$ -</u>	<u>\$ 2,597,441</u>	<u>\$ 1,768,366</u>	<u>\$ 566,137</u>	<u>\$ -</u>	<u>\$ 2,334,503</u>

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