

ISKCON NEW VRINDABAN INC

FINANCIAL STATEMENTS

DECEMBER 31, 2014

DRAFT

Ram Associates, CPAs
3240 East State Street Ext.
Hamilton, NJ 08619
Tel: 609 631 9552/609 631 9553
Fax: 888 319 8898
pkram@ramassociates.us

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ISKCON NEW VRINDABAN, INC.
STATEMENT OF FINANCIAL POSITION

December 31, 2014

ASSETS

Current assets:

Cash and cash equivalents \$ 613,401

Other current assets 19,853

Total current assets 633,254

Property and equipment-net 2,887,154

Total Assets \$ 3,520,408

LIABILITIES AND NET ASSETS

Current liabilities:

Other current liabilities 65,039

Total current liabilities 65,039

Long-term debts

Term loan-net of current portion 363,195

Total Current and long-term liabilities 428,234

Net assets:

Unrestricted 3,077,332

Temporarily restricted 14,842

Total Net assets 3,092,174

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ISKCON NEW VRINDABAN, INC.
STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
YEAR ENDED DECEMBER 31,2014

| | <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>Total</u> |
|--|----------------------------|-----------------------------------|----------------------------|
| SUPPORT AND REVENUE | | | |
| Puja services/contributions | \$ 1,022,707 | - | \$1,022,707 |
| Interest income | 740 | - | 740 |
| Book sales | 3,010 | - | 3,010 |
| Food service | 183,794 | - | 183,794 |
| Rental income | 508,576 | - | 508,576 |
| Palace Gate-collections | 119,350 | - | 119,350 |
| Festival receipts | 105,578 | - | 105,578 |
| Hundi donations | 76,202 | - | 76,202 |
| Other | 1,371,585 | - | 1,371,585 |
| Support and revenue income | 3,391,542 | - | 3,391,542 |
| EXPENSES | | | |
| Program services: | | | |
| Charitable contributions | 81,865 | - | 81,865 |
| Puja, education and outreach expenses | 123,142 | - | 123,142 |
| Pilgrim Services | 270,047 | - | 270,047 |
| | <u>475,054</u> | <u>-</u> | <u>475,054</u> |
| Supporting Activities: | | | |
| General and administrative expenses | 1,478,456 | - | 1,478,456 |
| Fund-raising expenses | 110,671 | - | 110,671 |
| Building improvements(capitalized) | - | 73,272 | 73,272 |
| | <u>1,589,127</u> | <u>73,272</u> | <u>1,662,399</u> |
| Total expenses | <u>2,064,181</u> | <u>73,272</u> | <u>2,137,453</u> |
| Change in net assets from operations before depreci: | <u>1,327,361</u> | <u>(73,272)</u> | <u>1,254,089</u> |
| Depreciation | (260,659) | - | (260,659) |
| CHANGE IN NET ASSETS | <u>1,066,702</u> | <u>(73,272)</u> | <u>993,430</u> |
| NET ASSETS AT BEGINNING OF THE YEAR | <u>1,973,900</u> | <u>88,114</u> | <u>2,062,014</u> |
| Prior period adjustments | 36,730 | - | 36,730 |
| NET ASSETS AT END OF THE YEAR | <u>\$ 3,077,332</u> | <u>\$ 14,842</u> | <u>\$ 3,092,174</u> |

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- See accompanying notes and accountant's audit report-

ISKCON NEW VRINDABAN, INC.
STATEMENT OF CASH FLOWS
Year ended December 31, 2014

| | |
|---|-------------------|
| Cash flows from operating activities: | |
| Change in net assets | \$ 993,430 |
| Adjustment to reconcile, change in net assets to net cash provided (used) by operating activities: | |
| Depreciation | 260,659 |
| Prior period adjustment(fixed assets) | 974 |
| Changes in operating assets and liabilities | |
| (Increase) / Decrease in other current assets | (6,555) |
| Increase / (Decrease) in other liabilities | (29,648) |
| Total adjustments | 225,430 |
| Net cash provided by operating activities | 1,218,860 |
| Cash flows from investing activities: | |
| Purchase of fixed assets | (579,745) |
| Net cash used in investing activities | (579,745) |
| Cash flows from financing activities: | |
| Decrease Long term liability | (205,129) |
| Net cash used in financing activities | (205,129) |
| Net increase / (decrease) in cash | 433,986 |
| Cash at the beginning of the year | 142,685 |
| Cash at the end of the year | \$ 576,671 |
| Supplementary disclosure of cash flows information | |
| Cash paid during the year for | |
| Interest | \$ - |
| Income taxes paid | - |

- See accompanying notes and accountant's audit report-

ISKCON NEW VRINDABAN, INC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

1. ORGANIZATION

INTERNATIONAL SOCIETY OF KRISHNA CONSCIOUSNESS NEW VRINDABAN, INC., (INV) a West Virginia non-profit corporation. The organization is exempted from income tax under section 501© (3) of the Internal Revenue Code. INV is formed for the purpose of organizing, operating and maintaining as a place of worship and for the mutual and spiritual benefit of its membership, as it may be constituted from time to time. Originally incorporated as ISKCON New Mathura Vrindaban, Inc and later on December 13th, 2012 changed its name to ISKCON New Vrindaban, Inc.

The ISKCON New Vrindaban Inc. is the first farm community founded in 1968 by disciples of the Founder Acharya of ISKCON, A.C. Bhaktivedanta Swami Prabhupada. Srila Prabhupada envisioned that New Vrindaban would focus on cow protection, sustainable agriculture, a simple village life style, a place of pilgrimage in the West, a place of higher learning as well as a place where people develop their love for Krishna. New Vrindaban currently hosts about 200 community members.

GENERAL ACTIVITIES:

Worship

Planning and conducting activities of worship and providing service to our local and global communities to address needs of the body, mind and spirit.

Spiritual Growth

To help organization members grow in faith and Krishna consciousness.

Pilgrims and visitors services:

Apart from spiritual services, temple is also providing accommodation and feeding facilities to Pilgrims and visitors.

ISKCON NEW VRINDABAN, INC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

These financial statements are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP); consequently, revenue is recognized when services are rendered and expenses reflected when costs are incurred

FEDERAL INCOME TAXES

The organization is exempt from Federal income tax under Section 503(C) (3) of the Internal Revenue Code. Therefore no provisions have been made for Federal income taxes in the accompanying financial statements.

FINANCIAL STATEMENT PRESENTATION

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor restrictions. The organization is required to report information regarding its financials positions and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

CONTRIBUTIONS

Contributions received are measured at their fair values on the date of donation and are reported as an increase in net assets. The organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of revenues expenses of revenues and changes in fund balance as net assets released from restrictions. There are no permanently restricted funds in the organization as on December 31, 2014.

ESTIMATES

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions

ISKCON NEW VRINDABAN, INC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at end date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes all monies deposited in banks, money market funds in brokerage accounts and demand deposits held at the ISKCON New Mathura Vrindavan.

INVESTMENTS

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair value in the statements of financial position. As on December 31, 2014 there are no significant unrealized gains and losses that are required to include in the change in net assets.

DONATED SERVICES

The Organization receives a variety of volunteer services. The value of these services and support is not reflected in these statements as such services are not susceptible to objective measurements or valuation.

3. PROPERTY AND EQUIPEMENT

Property and equipment valued at \$1,000 or greater are recorded at cost or if donated at the approximate fair value at the date of donation. Fixed assets are depreciated on a straight- line basis over their estimated useful lives as follows:

| | |
|-----------------------------|-----------|
| Building | 40 years |
| Parsonage | 25 years |
| Parking lot improvements | 20 years |
| Furniture, pianos and organ | 10 years |
| Equipment and vehicles | 3-7 years |

ISKCON NEW VRINDABAN, INC
NOTES TO FINANCIAL STATEMENTS
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Property and equipment consists of:

Non-depreciable assets:

| | |
|------|------------|
| Land | \$ 891,235 |
|------|------------|

Depreciable Assets:

| | |
|---------------------------------------|---------------------|
| Temple building | 585,351 |
| Old Vrindaban buildings | 111,446 |
| other buildings, roads & parking lots | 5,137,437 |
| Sewage plant | 209,640 |
| Trucks & tractors | 159,137 |
| Autos & Vans | 7,600 |
| Equipment & Tools | 232,010 |
| Cows | 41,500 |
| Generators | 77,163 |
| Building improvements | 144,540 |
| Water Supply Project | 169,499 |
| Palace Gift Shop | 13,486 |
| Gas Tank | 13,326 |
| Furniture & Fixtures | 67,630 |
| Restaurant furniture & fittings | 73,534 |
| Welcome Center building | 36,519 |
| Machinery & other equipment | 70,087 |
| Software | 10,995 |
| Total Gross Assets | 8,052,135 |
| Less: Accumulated depreciation | (5,164,981) |
| Net Assets | \$ 2,887,154 |

4. TEMPORARILY RESTRICTED NET ASSET

Temporarily restricted net assets consist of:

| | |
|--|----------|
| Special Projects (major improvements to buildings) | \$14,842 |
|--|----------|

ISKCON NEW VRINDABAN, INC
NOTES TO FINANCIAL STATEMENTS
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5. Long-term debt

- a.) Interest free loans of \$ 142,115 were availed from ECO-Vrindaban Inc, for water supply project and its repayment shall be adjusting in the future royalty payments over a period until it is totally repaid. There is no specific term period of time for the repayment.
- b.) Interest free loan of \$209,000 is availed from ECO-Vrindaban Inc and it is repayable after 5 years.

6. RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENT:

In January 2010, The FASB issued ASU No. 2010-06, *Improving Disclosures about Fair Value Measurements*. Effective for years beginning after December 15, 2009, the guidance requires entities to disclose transfers of assets in and out of Levels 1 and 2 of the fair value hierarchy, and the reasons for those transfers, and to report fair values based on class rather than category. Effective for years beginning after December 15, 2010, the guidance requires separate presentation of purchases and sales in the Level 3 asset reconciliation.

7. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through the report date, which represents the date of the financial statements were available to be issued. Subsequent events after that date have not been evaluated.