

ISKCON-NEW MATHURA VRINDABAN INC

FINANCIAL STATEMENTS

DECEMBER 31, 2012

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TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1-2
Financial Statements :	
Statement of Financial Position as of December 31, 2012	3
Statement of Activities and Change in Net assets for The Year	
Ended December 31, 2012.....	4
Statement of Cash Flows for The Year Ended December 31, 2012.....	5
Notes to Financial Statements	6-9



CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees/ Directors of
ISKCON-NEW MATHURA VRINDABAN INC.,
New Mathura Vrindaban, WV.

We have audited the accompanying financial statements of ISKCON-New Mathura Vrindaban Inc. , (A Not -for-Profit Organization) which comprise the statement of financial position as of December 31, 2012, and the related statement of activities and change in net assets, and cash flows for the period then ended, and the related notes to 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 misstatements.

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 the 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 ISKCON-New Mathura Vrindaban Inc., as of December 31, 2012, and the results of its operations and its cash flows for the period then ended in accordance with accounting principles generally accepted in the United States of America.

Ram Associates

Ram Associates
Hamilton, NJ

October 21, 2013.

ISKCON-NEW MATHURA VRINDABAN, INC.
STATEMENT OF FINANCIAL POSITION

December 31, 2012

ASSETS

Current assets:

Cash and cash equivalents	\$ 318,869
Investments	20,226
Other current assets	11,002
Total current assets	<u>350,097</u>

Property and equipment-net 2,192,374

Total Assets \$ 2,542,471

LIABILITIES AND NET ASSETS

Current liabilities:

Current portion of term loan	\$ 8,800
Other current liabilities	<u>38,042</u>
Total current liabilities	46,842

Long-term loans

Term loan-net of current portion	151,151
Total Current and long-term liabilities	<u>197,993</u>

Net assets:

Unrestricted	2,081,666
Temporarily restricted	262,812
Total Net assets	<u>2,344,478</u>
Total Liabilities and Net assets	<u><u>\$ 2,542,471</u></u>

- See accompanying notes and accountant's audit report-

ISKCON-NEW MATHURA VRINDABAN, INC.
STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS

YEAR ENDED DECEMBER 31,2012

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE			
Puja services/contributions	\$ 833,369	\$ -	\$ 833,369
Interest income	3,403	-	3,403
Book sales	7,287	-	7,287
Food service	177,920	-	177,920
Rental income	415,873	-	415,873
Palace Gate-collections	103,222	-	103,222
Hundi	13,670	-	13,670
Other	72,746	-	72,746
	<u>1,627,490</u>	<u>-</u>	<u>1,627,490</u>
EXPENSES			
Program services:			
Charitable contributions	82,407	-	82,407
Puja, education and outreach expenses	60,963	-	60,963
Pilgrim Services	353,582	-	353,582
	<u>496,952</u>	<u>-</u>	<u>496,952</u>
Supporting Activities:			
General and administrative expenses	1,182,489	-	1,182,489
Fund-raising expenses	19,880	-	19,880
	<u>1,202,369</u>	<u>-</u>	<u>1,202,369</u>
Total expenses	<u>1,699,321</u>	<u>-</u>	<u>1,699,321</u>
Change in net assets from operations before depreciation	<u>(71,831)</u>	<u>-</u>	<u>(71,831)</u>
Depreciation	<u>(202,158)</u>	<u>-</u>	<u>(202,158)</u>
CHANGE IN NET ASSETS	<u>(273,989)</u>	<u>-</u>	<u>(273,989)</u>
NET ASSETS AT BEGINNING OF THE YEAR	<u>2,355,655</u>	<u>262,812</u>	<u>2,618,467</u>
NET ASSETS AT END OF THE YEAR	<u>\$2,081,666</u>	<u>\$ 262,812</u>	<u>\$ 2,344,478</u>

- See accompanying notes and accountant's audit report-

ISKCON-NEW MATHURA VRINDABAN, INC.

STATEMENT OF CASH FLOWS

Year ended December 31, 2012

Cash flows from operating activities:	
Change in net assets	\$ (273,989)
Adjustment to reconcile, change in net assets to net cash provided (used) by operating activities:	
Depreciation	202,158
Changes in operating assets and liabilities	
(Increase) / Decrease in other current assets	(2,079)
Increase / (Decrease) in other liabilities	(7,100)
Total adjustments	<u>192,979</u>
Net cash used in operating activities	(81,010)
Cash flows from investing activities:	
Purchase of fixed assets	(367,546)
Increase in investments	<u>(2,226)</u>
Net cash used in investing activities	<u>(369,772)</u>
Cash flows from financing activities:	
Increase Long term liability	135,000
Net cash provided by financing activities	<u>135,000</u>
Net increase / (decrease) in cash	(315,782)
Cash at the beginning of the year	<u>634,651</u>
Cash at the end of the year	<u>\$ 318,869</u>
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 MATHURA VRINDABAN, INC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

1. ORGANIZATION

INTERNATIONAL SOCIETY OF KRISHNA CONSCIOUSNESS-NEW MATHURA VRINDABAN, INC., (ISKCON-NMV) a West Virginia non-profit corporation. The organization is exempted from income tax under section 501© (3) of the Internal Revenue Code. ISKCON-NMV 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.

The International Society for Krishna Consciousness - New Mathura 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 150 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.

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

ISKCON –NEW MATHURA VRINDABAN, INC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

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 financial 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, 2012.

ESTIMATES

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

ISKCON –NEW MATHURA VRINDABAN, INC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

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, 2012 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 MATHURA VRINDABAN, INC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

Property and equipment consists of:

Non-depreciable assets:

Land	\$ 834,928
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Depreciable Assets:

Temple building	585,028
Old Vrindaban buildings	111,446
Other buildings, roads & parking lots	4,440,269
Sewage plant	209,640
Trucks & tractors	159,137
Autos & Vans	5,000
Equipment & Tools	209,857
Cows	27,750
Generators	38,582
Building improvements	21,860
Water Supply Project	101,684
Palace Gift Shop	13,396
Gas Tank	7,361
Furniture & Fixtures	62,263
Total Gross Assets	6,828,201
Less: Accumulated depreciation	(4,635,827)
Net Assets	\$ 2,192,374

4. INVESTMENTS

	<u>Carrying Value</u> <u>At Fair Value</u>
Investment fund with West Banco Bank	\$ 20,226

5. TEMPORARILY RESTRICTED NET ASSET

Temporarily restricted net assets consist of:

Special Projects (major improvements to buildings)	\$ 262,812
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ISKCON –NEW MATHURA VRINDABAN, INC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

6. Long-term loan

- a.) Long-term interest free loan repayable quarterly to a devotee over a period of 3 years. The outstanding loan as on December 31, 2012 was \$ 24,951.

The repayment schedule is as follows:

2013	\$ 8,800
2014	8,800
2015	7,351
Total	\$24,951

- b.) An interest free loan of \$ 135,000 was availed from GEETA (ECOV) during the year 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.

7. 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.

8. 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.