

**Burma Humanitarian Mission**

**INDEPENDENT AUDITORS' REPORT  
AND  
FINANCIAL STATEMENTS**

**March 31, 2011**



**HANSEN, BARNETT & MAXWELL, P.C.**  
Certified Public Accountants

# BURMA HUMANITARIAN MISSION

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Burma Humanitarian Mission

We have audited the accompanying statement of financial position of Burma Humanitarian Mission (a nonprofit corporation) as of March 31, 2011 and the related statements of activities and changes in net assets, cash flows and functional expenses for the year then ended. These financial statements are the responsibility of Burma Humanitarian Mission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Burma Humanitarian Mission as of March 31, 2011, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

*Hansen, Barnett & Maxwell, P.C.*  
**HANSEN, BARNETT & MAXWELL, P.C.**

Salt Lake City, Utah  
December 22, 2011

**BURMA HUMANITARIAN MISSION**  
**Statement of Financial Position**  
**March 31, 2011**

**ASSETS**

**Current Assets**

Cash and cash equivalents	\$ 55,806
<b>Total Assets</b>	<u>55,806</u>

**LIABILITIES AND NET ASSETS**

**Current Liabilities**

Deferred Revenue	740
<b>Total Liabilities</b>	<u>740</u>

**Net Assets**

Unrestricted	53,216
Temporarily restricted	1,850
<b>Total Net Assets</b>	<u>55,066</u>

<b>Total Net Assets</b>	<u>\$ 55,806</u>
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The accompanying notes are an integral part of these financial statements.

**BURMA HUMANITARIAN MISSION**  
**Statement of Activities and**  
**Changes in Net Assets**  
**For the Year Ended March 31, 2011**

<b>Changes in Unrestricted Net Assets</b>	
<b>Revenue</b>	
Contributions	\$ 28,541
Marathon	20,390
In-kind donations	3,465
Interest income	14
<b>Total Unrestricted Revenue</b>	<u>52,410</u>
<b>Expenses Paid</b>	
Program services	31,864
Support activities	228
Fundraising activities	18,322
<b>Total expenses paid</b>	<u>50,414</u>
<b>Total Changes in Unrestricted Net Assets</b>	1,996
<b>Changes in Temporarily Restricted Net Assets</b>	
Contributions	<u>1,850</u>
<b>Total Temporarily Restricted Revenues and Support</b>	<u>1,850</u>
<b>Increase in Net Assets</b>	<u>3,846</u>
<b>Net Assets at Beginning of Year</b>	<u>51,220</u>
<b>Net Assets at End of Year</b>	<u><u>\$ 55,066</u></u>

The accompanying notes are an integral part of these financial statements.

**BURMA HUMANITARIAN MISSION**  
**Statement of Cash Flows**  
**For The Year Ended March 31, 2011**

<b>Cash Flows from Operating Activities</b>	
Change in net assets	\$ 3,846
Adjustments to reconcile change in net assets to cash from operating activities:	
Accounts receivable	194
Deferred revenue	740
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<b>Net Cash Flows from Operating Activities</b>	<b>4,780</b>
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<b>Cash Flows from Investing Activities</b>	<b>-</b>
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<b>Cash Flows from Financing Activities</b>	<b>-</b>
	<hr/>
<b>Net Change in Cash and Cash Equivalents</b>	<b>4,780</b>
<b>Cash and Cash Equivalents at Beginning of Year</b>	<b>51,026</b>
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<b>Cash and Cash Equivalents at End of Year</b>	<b>\$ 55,806</b>
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The accompanying notes are an integral part of these financial statements.

**BURMA HUMANITARIAN MISSION**  
**Statement of Functional Expenses**  
**For The Year Ended March 31, 2011**

	<u>Program Services</u>	<u>Supporting Activities</u>	<u>Fundraising Activities</u>	<u>Total Expenses</u>
Medical programming	\$ 30,656	\$ -	\$ -	\$ 30,656
Grants made	725	-	-	725
Travel	-	-	2,098	2,098
Entertainment	-	-	57	57
Marketing	-	-	8,352	8,352
Public outreach	300	-	-	300
Marthon entry fees	-	-	4,255	4,255
Office supplies	-	145	-	145
Postage	-	-	469	469
Licenses and permits	-	83	-	83
Miscellaneous expenses	-	-	1,421	1,421
Bank charges	183	-	1,670	1,853
<b>Total expense</b>	<u>\$ 31,864</u>	<u>\$ 228</u>	<u>\$ 18,322</u>	<u>\$ 50,414</u>

The accompanying notes are an integral part of these financial statements.

**BURMA HUMANITARIAN MISSION**  
**Notes To Financial Statements**  
**March 31, 2011 and March 31, 2010**

**NOTE 1 – SUMMARY OF ACCOUNTING POLICIES**

**Operating Activities** — Burma Humanitarian Mission (the Mission) was organized in Washington, D.C. in 2008 as a non-profit corporation dedicated to address the humanitarian and healthcare crisis in Burma. This is accomplished by supporting the Back Pack Health Worker Team, who administer village healthcare services in Karen State, and through education, sanitation and environmental stewardship projects that seek to improve the quality of life of the Internally and Externally Displaced people of Burma. We document our missions using photography and video to share the voices of the peoples of Burma with the world and to advocate for their wellbeing.

**Basis of Presentation** — The Mission prepares its financial statements on the accrual basis of accounting and follows generally accepted accounting principles for not-for-profit organizations and reports information regarding its financial position according to three classes of net assets as follows:

- *Unrestricted Net Assets:* Unrestricted net assets represent funds which are fully available, at the discretion of management and the Board of Directors to utilize in any of its program or supporting services.
- *Temporarily Restricted Net Assets:* Temporarily restricted net assets are comprised of funds which are restricted by donors for specific purposes. The restrictions are satisfied either by the passage of time or by actions of the Mission.
- *Permanently Restricted Net Assets:* Permanently restricted net assets include resources with permanent donor-imposed restrictions, which require the assets to be maintained in perpetuity but permit the Mission to expend all or part of the income derived from the donated assets. As of March 31, 2011, the Mission had no permanently restricted net assets.

**Cash and Cash Equivalents** — For purposes of the statements of cash flows, the Mission considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. Cash accounts are maintained at two financial institutions that each provide FDIC insurance up to \$250,000.

**Contribution Receivables** — An allowance for doubtful accounts is established by charges to operations for amounts required to maintain an adequate allowance, in management's judgment, to cover anticipated losses from contribution receivables. Such accounts are charged to the allowance when collection appears doubtful. Any subsequent recoveries are credited to the allowance account. As of March 31, 2011, the Mission had no contributions receivable.

**Revenue Recognition** — All revenues, with the exception of admission fees, are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Deferred revenue of \$740 represents marathon entry fees collected from participants for a marathon event to be held during the year ended March 31, 2012.

**Contributions** — Contributions are recognized as unrestricted, temporarily restricted or permanently restricted support depending on the existence and nature of any donor restrictions. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. As of March 31, 2011, the Mission had temporarily restricted net assets of \$1,850, which was restricted for the Girl Determined Project, which provides educational funding for girls in Burma.

**Contributed Services** — Many individuals volunteer their time and perform a variety of tasks in connection with The Mission’s activities. During the year ended March 31, 2011, the value of contributed services did not meet requirements for recognition in the financial statements and has not been recorded.

**Use of Estimates** — Preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from these estimates.

**Income Taxes** — The Mission is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code as a public charity, and under District of Columbia tax regulations and, therefore, is not subject to federal or local income taxes in connection with its exempt activities.

**Fundraising Expenses** —The Mission solicits individuals to participate in various marathons throughout the United States and fund-raise on their behalf. These entry fees paid for participation in the races are included in fundraising costs, as well as transaction fees for donations made online and grant application fees. Marketing expenses include fees paid to be included in Alternative Gifts International Catalogue.

**Subsequent Events**—The Mission has evaluated subsequent events through December 22, 2011, which is the date these financial statements were available to be issued.

#### **NOTE 2 – RELATED PARTIES**

During the year ended March 31, 2011, members of the board provided in-kind materials in the amount of \$3,465, which included office supplies, postage and travel expenses.

#### **NOTE 3 – CONCENTRATIONS**

As discussed in Note 1, the Mission provides support to backpack medics. The funds sent to the Backpack Health Worker Team are classified as medical programming on the statement of functional expenses and amounted to \$30,656.