



Independent Auditors' Report
and
Financial Statements
March 31, 2013 and 2012

Burma Humanitarian Mission

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Independent Auditor's Report

To the Board of Directors
of Burma Humanitarian Mission

Report on the Financial Statements

We have audited the accompanying statements of financial position of Burma Humanitarian Mission (a nonprofit organization), as of March 31, 2013, and the related statements of activities and changes in net assets, cash flows, and functional expenses, and the related notes to the 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 the 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.

Auditors' 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 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 Burma Humanitarian Mission as of March 31, 2013, and the results of its operations

and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

The financial statements of Burma Humanitarian Mission as of and for the year ended March 31, 2012, were audited by Hansen, Barnett, & Maxwell, P.C. who joined Eide Bailly LLP on September 1, 2013, and whose report dated July 17, 2012, expressed an unmodified opinion on those statements.

Eide Bailly LLP

Salt Lake City, Utah
October 1, 2013

	2013	2012
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 45,567	\$ 43,382
Total Assets	45,567	43,382
LIABILITIES AND NET ASSETS		
Current Liabilities		
Deferred revenue	\$ -	\$ 600
Total Liabilities	-	600
Net Assets		
Unrestricted	33,460	42,122
Temporarily restricted	12,107	660
Total Net Assets	45,567	42,782
Total Liabilities and Net Assets	\$ 45,567	\$ 43,382

Burma Humanitarian Mission
 Statements of Activities and Changes in Net Assets
 For the Years Ended May 31, 2013 and 2012

	2013	2012
Changes in Unrestricted Net Assets		
Revenue		
Grants	\$ 10,514	\$ 3,900
Contributions	82,693	69,143
In-kind donations	6,495	4,832
Interest income	60	122
Total Unrestricted Revenue	99,762	77,997
Expenses		
Program services	91,885	73,059
Support activities	10,322	9,065
Fundraising activities	6,217	6,967
Total Expenses	108,424	89,091
Total Changes in Unrestricted Net Assets	(8,662)	(11,094)
Changes in Temporarily Restricted Net Assets		
Contributions	12,107	660
Net assets released from restrictions	(660)	(1,850)
Total Changes in Temporarily Restricted Revenues and Support	11,447	(1,190)
Increase (Decrease) in Net Assets	2,785	(12,284)
Net Assets at Beginning of Year	42,782	55,066
Net Assets at End of Year	\$ 45,567	\$ 42,782

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

Burma Humanitarian Mission
Statement of Functional Expenses
For the Years Ended May 31, 2013 and 2012

	<u>Program Services</u>	<u>Supporting Activities</u>	<u>Fundraising Activities</u>	<u>Total Expenses</u>
Medical programming	\$ 36,516	\$ -	\$ -	\$ 36,516
Professional	-	3,091	-	3,091
Bank fees	138	-	116	254
Education programming	29,425	-	-	29,425
Event entry fees	5,397	-	-	5,397
Licenses and permits	708	-	-	708
Marketing	-	-	3,933	3,933
Phone	-	277	-	277
Postage	222	-	-	222
Public outreach/education	2,055	-	-	2,055
Staffing	13,942	6,060	1,998	22,000
Supplies	-	66	20	86
Travel	2,953	615	-	3,568
Other	529	213	150	892
Total expense	<u>\$ 91,885</u>	<u>\$ 10,322</u>	<u>\$ 6,217</u>	<u>\$ 108,424</u>

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

Burma Humanitarian Mission
Statement of Functional Expenses
For the Years Ended March 31, 2013 and 2012

	<u>Program Services</u>	<u>Supporting Activities</u>	<u>Fundraising Activities</u>	<u>Total Expenses</u>
Medical programming	\$ 38,839	\$ -	\$ -	\$ 38,839
Professional	-	3,035	-	3,035
Bank fees	193	10	293	496
Education programming	18,583	-	-	18,583
Event entry fees	6,685	-	-	6,685
Licenses and permits	-	100	-	100
Marketing	-	-	3,800	3,800
Membership dues	-	25	-	25
Phone	-	428	-	428
Postage	-	204	-	204
Public outreach/education	245	-	-	245
Staffing	5,441	3,953	606	10,000
Supplies	-	255	1,940	2,195
Travel	3,073	1,055	328	4,456
Total expense	<u>\$ 73,059</u>	<u>\$ 9,065</u>	<u>\$ 6,967</u>	<u>\$ 89,091</u>

Burma Humanitarian Mission
Statement of Cash Flows
For the Years Ended March 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Cash Flows from Operating Activities		
Change in net assets	\$ 2,785	\$ (12,284)
Adjustments to reconcile change in net assets to cash from operating activities:		
Deferred revenue	<u>(600)</u>	<u>(140)</u>
Net Cash Flows from Operating Activities	<u>2,185</u>	<u>(12,424)</u>
Cash Flows from Investing Activities	<u>-</u>	<u>-</u>
Cash Flows from Financing Activities	<u>-</u>	<u>-</u>
Net Change in Cash and Cash Equivalents	2,185	(12,424)
Cash and Cash Equivalents at Beginning of Year	<u>43,382</u>	<u>55,806</u>
Cash and Cash Equivalents at End of Year	<u>\$ 45,567</u>	<u>\$ 43,382</u>

NOTE 1 – SUMMARY OF ACCOUNTING POLICIES

Operating Activities — Burma Humanitarian Mission (the Mission) was organized in Washington, D.C. in 2008 and in March 2012, the Mission dissolved its corporation in Washington, D.C. and registered as a non-profit corporation in Utah. The Mission is a non-profit corporation dedicated to empower people around the world to exercise their health to advocate for a healthy, democratic and vibrant Burma where the human rights of all people are protected. The Mission supports the Back Pack Health Worker Team, who administer village healthcare services in Karen State, Burma, 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, 2013 and 2012, 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.

Contributions Receivable — 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, 2013 and 2012, 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 \$0 and \$600 represents marathon entry fees collected from participants for marathon events to be held subsequent to March 31, 2013 and 2012, respectively.

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, 2013 and 2012, the

Mission had temporarily restricted net assets of \$12,107 and \$660, which were restricted for specific projects and events that had not been spent as of March 31, 2013 and 2012, respectively.

Contributed Services — Many individuals volunteer their time and perform a variety of tasks in connection with the Mission's activities. During the years ended March 31, 2013 and 2012, 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. Therefore, the Mission is not subject to federal or local income taxes in connection with its exempt activities. Continued tax exempt status is contingent on future operations being in compliance with Internal Revenue Code exception regulations.

The Mission is subject to U.S. Federal tax examinations for tax years beginning and including March 31, 2009. The Mission does not believe that it has any significant uncertain tax positions.

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 program costs, as well as transaction fees for donations made online. Grant application fees are included in fundraising costs. Marketing expenses include fees paid to be included in Alternative Gifts International Catalogue.

Subsequent Events—The Mission has evaluated subsequent events through October 1, 2013 which is the date these financial statements were available to be issued.

NOTE 2 – RELATED PARTY TRANSACTIONS

During the years ended March 31, 2013 and 2012, members of the board provided in-kind materials and costs in the amount of \$6,495 and \$4,832, 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 Back Pack Health Worker Team are classified as medical programming on the statement of functional expenses and amounted to \$36,516 and \$38,839 for the years ended March 31, 2013 and 2012, respectively.