

AKSHAYA PATRA FOUNDATION (USA)

REPORT ON AUDIT OF STATEMENT OF
CASH RECEIPTS AND DISBURSEMENTS

YEAR ENDED DECEMBER 31, 2009

(CASH RECEIPTS AND DISBURSEMENTS BASIS)

AKSHAYA PATRA FOUNDATION (USA)

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TIMOTHY M. CRAVEN

Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Akshaya Patra Foundation (USA)
Stoneham, Massachusetts

I have audited the accompanying statement of cash receipts and disbursements of Akshaya Patra Foundation (USA) (a not-for-profit organization) for the year ended December 31, 2009. This financial statement is the responsibility of the Organization's management. My responsibility is to express an opinion on this financial statement based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the statement of cash receipts and disbursements is 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 opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, I express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of cash receipts and disbursements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the statement of cash receipts and disbursements. I believe that my audit provides a reasonable basis for my opinion.

As described in note A, this financial statement has been prepared on the cash receipts and disbursements basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In my opinion, the statement of cash receipts and disbursements referred to above present fairly, in all material respects, the cash receipts and disbursements of Akshaya Patra Foundation (USA) for the ended December 31, 2009 on the basis of accounting described in note A.

Timothy M. Craven CPA

September 1, 2010

AKSHAYA PATRA FOUNDATION (USA)
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED DECEMBER 31, 2009

	USA OPERATIONS	INDIA OPERATIONS	TOTAL
BEGINNING CASH	\$ 314,226	\$ 421,000	\$ 735,226
CASH RECEIPTS:			
CONTRIBUTIONS SUBJECT TO ALLOCATION	225,225	1,216,819	1,442,044
CONTRIBUTIONS AND RECEIPTS NOT SUBJECT TO ALLOCATION	100,890	15,000	115,890
ALLOCATION FOR CONTRIBUTIONS MADE DIRECTLY TO INDIA	200,492	(200,492)	0
2009 FUNDS NOT ALLOCATED UNTIL 2010	10,654		10,654
INVESTMENT INCOME	4,536		4,536
TOTAL RECEIPTS	<u>541,797</u>	<u>1,031,327</u>	<u>1,573,124</u>
CASH DISBURSEMENTS:			
EVENTS EXPENSE	89,995		89,995
CONTRIBUTIONS		1,350,461	1,350,461
TRAVEL & MEETING	29,189		29,189
ADVERTISING	6,255		6,255
BANK FEES	832		832
DUES & SUBSCRIPTIONS	300		300
POSTAGE	6,635		6,635
PRINTING & COPYING	9,118		9,118
TELEPHONE	6,212		6,212
SUPPLIES	2,913		2,913
WEBSITE	4,180		4,180
MISCELLANEOUS	2,198		2,198
PROFESSIONAL FEES	24,420		24,420
HEALTH INSURANCE	4,182		4,182
SALARIES & WAGES	314,564		314,564
PAYROLL TAXES AND COSTS	35,395		35,395
INSURANCE	3,628		3,628
MEALS	426		426
	<u>540,442</u>	<u>1,350,461</u>	<u>1,890,903</u>
INCREASE/(DECREASE) IN CASH	<u>1,355</u>	<u>(319,134)</u>	<u>(317,779)</u>
ENDING CASH	<u>\$ 315,581</u>	<u>\$ 101,866</u>	<u>417,447</u>

See notes to financial statement.

AKSHAYA PATRA FOUNDATION (USA)

NOTE TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

YEAR ENDED DECEMBER 31, 2009

A. Nature of activities and summary of significant accounting policies:

The Akshaya Patra Foundation (USA) (the "Foundation") was founded in 2004 to strive to end hunger of underserved children in the 6 to 16 years of age group and facilitate their education in India.

Method of accounting:

The accompanying financial statements are prepared on the cash receipts and disbursement basis of accounting; which is a comprehensive basis of accounting other than accounting principles generally accepted in the United State of America. Under that basis, the only asset recognized is cash and no liabilities are recognized. All transactions are recognized as either cash receipts or disbursements, and noncash transactions are not recognized. The cash basis differs from accounting principles generally accepted in the United States primarily because the effects of outstanding unpaid obligations unpaid at the date of the financial statement are not included in the financial statement. The Foundation receives donations of shares of stock and records the contribution at the fair value, as determined by easily quoted prices, at the date of receipt. A gain or loss is recognized on disposition which occurs as soon as practicable after receipt.

Tax status:

The Foundation is classified by the Internal Revenue Service as a publically supported "organization" generally exempt from income tax under Section 501(c)(3) of the Internal Revenue Code.

Contributed goods and services:

The Foundation receives substantial goods and services from volunteers, its Board of Directors, and others in carrying out the Foundation's mission. No amounts have been reflected in the financial statement due to the method of accounting as previously described. Contributed goods and services include the free use of office space.

B. Commitments:

At December 31, 2009, \$101,866 is outstanding to be remitted to Indian operations pursuant to the agreement between the Indian operations and the US. After considering the above payment, which would have been shown in disbursements as contribution in the accompanying financial statement if it was paid in 2009, was paid in January 2010. The income from operations for the year ended due to this item would have been \$1,335.