

AKSHAYA PATRA FOUNDATION (USA)
REPORT ON AUDIT OF FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(CASH BASIS)

AKSHAYA PATRA FOUNDATION (USA)
REPORT ON AUDIT OF FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(CASH BASIS)

CONTENTS

	<u>Page</u>
Independent auditor's report	1
Financial statements:	
Statement of cash and fund balances	2
Statement of cash receipts and disbursements	3
Note to statement of cash receipts and disbursements	4

**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 and fund balances of Akshaya Patra Foundation (USA) (a not-for-profit organization) as of December 31, 2011, and the related statement of cash receipts and disbursements for the year then ended. These financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements 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 financial statements referred to above present fairly, in all material respects, the cash and fund balances and the receipts and disbursements of Akshaya Patra Foundation (USA), as of, and for the ended December 31, 2011 on the basis of accounting described in note A.

Timothy M. Craven CPA

June 30, 2012

AKSHAYA PATRA FOUNDATION (USA)
STATEMENT OF CASH AND FUND BALANCES

DECEMBER 31, 2011

ASSETS

CASH	<u>\$ 470,445</u>
------	-------------------

FUND BALANCES

UNRESTRICTED FUND BALANCE	<u>\$ 470,445</u>
---------------------------	-------------------

See notes to financial statements.

AKSHAYA PATRA FOUNDATION (USA)
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED DECEMBER 31, 2011

	USA OPERATIONS	INDIA OPERATIONS	TOTAL
BEGINNING CASH	\$ 443,554	\$ 42,275	\$ 485,829
CASH RECEIPTS:			
CONTRIBUTIONS SUBJECT TO ALLOCATION	517,621	2,070,484	2,588,105
CONTRIBUTIONS AND RECEIPTS NOT SUBJECT TO ALLOCATION	106,548		106,548
INVESTMENT INCOME	1,254		1,254
TOTAL RECEIPTS	<u>625,423</u>	<u>2,070,484</u>	<u>2,695,907</u>
CASH DISBURSEMENTS:			
EVENTS EXPENSE	241,471		241,471
CONTRIBUTIONS		2,029,768	2,029,768
CHAPTER EXPENSES	19,648		19,648
TRAVEL & MEETING	12,381		12,381
ADVERTISING	6,420		6,420
BANK FEES	1,438		1,438
INTERNS	6,643		6,643
POSTAGE	14,409		14,409
PRINTING & COPYING	12,674		12,674
TELEPHONE	4,582		4,582
SUPPLIES	5,378		5,378
WEBSITE	7,305		7,305
MISCELLANEOUS	724		724
PROFESSIONAL FEES	40,205		40,205
SALARIES & WAGES	261,216		261,216
PAYROLL TAXES AND COSTS	43,201		43,201
INSURANCE	3,828		3,828
	<u>681,523</u>	<u>2,029,768</u>	<u>2,711,291</u>
INCREASE/(DECREASE) IN CASH	<u>(56,100)</u>	<u>40,716</u>	<u>(15,384)</u>
ENDING CASH	<u>\$ 387,454</u>	<u>\$ 82,991</u>	<u>\$ 470,445</u>

See notes to financial statements.

AKSHAYA PATRA FOUNDATION (USA)

NOTE TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2011

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. There were no material stock contributions during the year.

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, 2011, \$82,991 is outstanding to be remitted to Indian operations. Pursuant to a Board agreement, which can be amended from time to time, a certain percentage of money raised by the Akshaya Patra Foundation (USA) (AP(USA)), are retained to defray the expenses of AP(USA). In addition, AP(USA) may receive other funds which it can use exclusively for its operations.