

## FINANCIAL STATEMENTS

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**BRAHMANANDA SARASWATI FOUNDATION OF CANADA**

December 31, 2015

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**Brahmananda Saraswati Foundation of Canada**

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Brian J. Quinlan, CPA, CA

Ann M. Donohue, CPA, CA

Ryan Knight, CPA, CA

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## INDEPENDENT AUDITOR'S REPORT

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To the members of **Brahmananda Saraswati Foundation of Canada:**

We have audited the accompanying financial statements of **Brahmananda Saraswati Foundation of Canada**, which comprise the statement of financial position as at December 31, 2015 and the statements of changes in net assets, operations and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation 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 Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and 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 judgement, 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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## INDEPENDENT AUDITOR'S REPORT (continued)

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Basis for Qualified Opinion*

In common with many charitable organizations, the Foundation derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Foundation and we were not able to determine whether any adjustments might be necessary to donation revenue, excess (deficiency) of revenue over expenses, assets and net assets.

### *Qualified Opinion*

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, if any, the financial statements present fairly, in all material respects, the financial position of **Brahmananda Saraswati Foundation of Canada** as at December 31, 2015 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Toronto, Ontario  
July 20, 2016

*Campbell Lawless LLP*  
Chartered Professional Accountants  
Licensed Public Accountants

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**Brahmananda Saraswati Foundation of Canada**  
**STATEMENT OF FINANCIAL POSITION**

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<b>December 31</b>	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>ASSETS</b>		
<b>Current</b>		
Cash	<b>240,469</b>	65,827
	<b>240,469</b>	65,827
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	<b>25,943</b>	12,204
Due to related parties [note 3]	<u><b>9,000</b></u>	<u>9,000</u>
	<b>34,943</b>	21,204
<b>NET ASSETS</b>		
Unrestricted	<b>205,526</b>	44,623
	<b>240,469</b>	65,827

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*see accompanying notes*

On behalf of the Board:

Director

Director

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**Brahmananda Saraswati Foundation of Canada**  
**STATEMENT OF CHANGES IN NET ASSETS**

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Year ended December 31	2015	2014
	\$	\$
<b>Balance</b> , beginning of year	<b>44,623</b>	44,930
Excess (deficiency) of revenue over expenses for the year	<b>160,903</b>	(307)
<b>Balance</b> , end of year	<b>205,526</b>	44,623

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*see accompanying notes*

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**Brahmananda Saraswati Foundation of Canada**

**STATEMENT OF OPERATIONS**

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Year ended December 31	2015	2014
	\$	\$
<b>Revenue</b>		
Donations	<u>552,827</u>	<u>744,232</u>
<b>Expenses</b>		
Charity activities expenditures	307,000	696,197
Fundraising	48,513	24,720
Professional fees	13,975	11,793
Bank and credit card fees	10,546	8,601
Office	5,529	2,533
Indo-Canadian outreach event	5,062	
Insurance	695	695
Travel	<u>604</u>	<u>        </u>
	<b>391,924</b>	<b>744,539</b>
<b>Excess (deficiency) of revenue over expenses for the year</b>	<b>160,903</b>	<b>(307)</b>

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*see accompanying notes*

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**Brahmananda Saraswati Foundation of Canada**

**STATEMENT OF CASH FLOWS**

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Year ended December 31	2015	2014
	\$	\$
<b>CASH FROM OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenue over expenses for the year	<b>160,903</b>	(307)
Changes in non-cash working capital items:		
Increase (decrease) in accounts payable and accrued liabilities	<u>13,739</u>	<u>5,704</u>
<b>Change in cash</b> during the year	<b>174,642</b>	5,397
<b>Cash</b> , beginning of year	<b>65,827</b>	60,430
<b>Cash</b> , end of year	<b>240,469</b>	65,827

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*see accompanying notes*

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**Brahmananda Saraswati Foundation of Canada**  
**NOTES TO FINANCIAL STATEMENTS**

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December 31, 2015

**1. PURPOSE OF THE ORGANIZATION**

Brahmananda Saraswati Foundation of Canada (the "Foundation") operates to teach the Vedas and Vedic Science, teach the Sanskrit language and literature and teach Vedic culture including art, architecture, literature, music and performances.

The Foundation was incorporated on June 14, 2010 as a corporation without share capital under the Canada Corporations Act. Effective June 22, 2014, the Foundation continued under the Canada Not-for-profit Corporations Act.

The Foundation is a registered charity under the Income Tax Act (Canada) and is therefore exempt from income taxes.

**2. SIGNIFICANT ACCOUNTING POLICIES**

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations.

**Revenue recognition**

The Foundation follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

**Contributed services**

Fulfilling the mandate of the Foundation is dependent on the voluntary donation of services of many members and others. As these services would not otherwise be purchased by the Foundation and because of the difficulty in determining their value, contributed services are not recorded in these financial statements.

**Financial instruments**

The Foundation initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The Foundation subsequently measures all its financial assets and liabilities at amortized cost.

Financial assets and liabilities measured at amortized cost include cash, accounts payable and accrued liabilities and amounts due to related parties.

The Foundation has no financial assets or liabilities measured at fair value.

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**Brahmananda Saraswati Foundation of Canada**  
**NOTES TO FINANCIAL STATEMENTS**

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December 31, 2015

**3. RELATED PARTY TRANSACTIONS**

Amounts due to related parties consist of the following:

	2015	2014
	\$	\$
Loans from directors	9,000	9,000

The statement of operations includes \$341,395 (2014 - \$561,405) of donations received from directors of the Foundation.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

**4. FINANCIAL INSTRUMENTS RISK EXPOSURE**

The Foundation is exposed to credit risk through its financial instruments. The Foundation has no changes in its risk exposure from the prior period.

**Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Foundation's financial asset that is exposed to credit risk is cash. Cash is on deposit with a credit-worthy financial institution.