

HIMALAYAN CHILDREN'S CHARITIES, INC.
FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

HIMALAYAN CHILDREN'S CHARITIES, INC.
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DECEMBER 31, 2016 AND 2015

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors
Himalayan Children's Charities, Inc.

Management is responsible for the accompanying financial statements of Himalayan Children's Charities, Inc. (a non-profit organization), which comprise the statements of assets, liabilities and net assets — modified cash basis as of December 31, 2016 and December 31, 2015, and the related statements of revenue and expenses — modified cash basis and statements of cash flows for the years then ended, and for determining that the modified cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the modified cash basis of accounting (Note 2), which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the organization's assets, liabilities, net assets, revenues and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Warren Averett, LLC

Atlanta, GA
May 4, 2017

HIMALAYAN CHILDREN'S CHARITIES, INC.
STATEMENTS OF ASSETS, LIABILITIES AND NET ASSETS
(MODIFIED CASH BASIS)
DECEMBER 31, 2016 AND 2015

ASSETS		
	2016	2015
CURRENT ASSETS		
Cash and cash equivalents	\$ 124,645	\$ 137,412
Total current assets	124,645	137,412
OTHER ASSETS		
Investments	156,282	150,763
Escrow for Nepal Government	8,774	8,774
Total other assets	165,056	159,537
TOTAL ASSETS	\$ 289,701	\$ 296,949
LIABILITIES AND NET ASSETS		
NET ASSETS		
Unrestricted - available for operations	\$ 289,701	\$ 296,949
Total net assets	289,701	296,949
TOTAL LIABILITIES AND NET ASSETS	\$ 289,701	\$ 296,949

See accompanying selected information and accountant's compilation report.

HIMALAYAN CHILDREN'S CHARITIES, INC.
STATEMENTS OF REVENUE AND EXPENSES
(MODIFIED CASH BASIS)
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016	2015
REVENUE		
Contributions	\$ 190,564	\$ 185,095
Special event income, net of expenses	(12,385)	(6,002)
Investment income	3,110	12,541
Total revenue	181,289	191,634
EXPENSES		
Program Service Expenses		
Creating Possibilities Nepal	165,061	147,302
Professional fees	15,799	4,690
Other program service expenses	4,787	-
Management and General Expenses		
Bank charges	1,638	1,990
Other operating expenses	1,252	1,277
Total expenses	188,537	155,259
(DECREASE) INCREASE IN NET ASSETS	(7,248)	36,375
NET ASSETS AT BEGINNING OF YEAR	296,949	260,574
NET ASSETS AT END OF YEAR	\$ 289,701	\$ 296,949

See accompanying selected information and accountant's compilation report.

HIMALAYAN CHILDREN'S CHARITIES, INC.
STATEMENTS OF CASH FLOWS
(MODIFIED CASH BASIS)
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
CASH FLOWS USED IN OPERATING ACTIVITIES		
(Decrease) increase in net assets	\$ (7,248)	\$ 36,375
Net cash (used in) provided by operating activities	<u>(7,248)</u>	<u>36,375</u>
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchase/sale of equity investments	(5,519)	(38,195)
Decrease in escrow account	-	1,013
Net cash used in investing activities	<u>(5,519)</u>	<u>(37,182)</u>
DECREASE IN CASH AND CASH EQUIVALENTS	(12,767)	(807)
CASH AND CASH EQUIVALENTS		
AT BEGINNING OF YEAR	<u>137,412</u>	<u>138,219</u>
AT END OF YEAR	<u>\$ 124,645</u>	<u>\$ 137,412</u>

See accompanying selected information and accountant's compilation report.

HIMALAYAN CHILDREN'S CHARITIES, INC.
SELECTED INFORMATION –
SUBSTANTIALLY ALL DISCLOSURES ARE NOT INCLUDED
(MODIFIED CASH BASIS)
DECEMBER 31, 2016 AND 2015

1. ORGANIZATION AND MISSION

Himalayan Children's Charities, Inc. (HCC) is a nonprofit organization incorporated in September 2000 under the laws of the state of Florida. In July 2009 HCC transferred to a nonprofit organization incorporated under the laws of the state of Georgia. HCC raises funds to provide better care, living facilities, and education for Nepalese orphaned and abandoned children. HCC's goal is to upgrade the quality of life for as many of these children as possible so they can have the same opportunities in life afforded to children in more fortunate situations. HCC also strives to teach the children values and responsibility which would be learned from their parents in a normal home environment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting: HCC prepares its financial statements in accordance with the modified cash basis of accounting.

Cash and Cash Equivalents: HCC considers all cash investments and highly liquid investments to be cash equivalents.

Contributions: Contributions received are recorded as unrestricted support unless explicit donor stipulations specify how the donated assets must be used.

Functional Allocation of Expenses: The costs of providing the program have been summarized on a functional basis in the statements of activities.