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Asha for Education
Audited Financial Statements

Board of Directors
Asha for Education

December 31, 2003

We have audited the accompanying statement of financial position, statement of activity, cash flows and functional expenses of Asha for Education (a nonprofit organization) for the year ended December 31, 2003. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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Abraham Itani, CPA
9/02/2005



ITANI ACCOUNTING & TAX SERVICES

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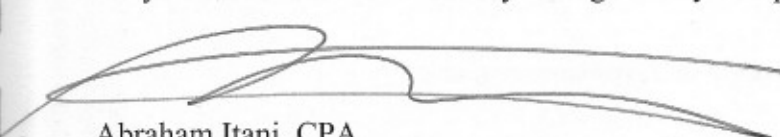
Independent Auditor's report

Board of Directors
Asha for Education

We have audited the accompanying statement of financial position, of Asha for Education (a nonprofit organization) as of December 31, 2003 and the related statements of activity, cash flows and functional expenses for the year then ended. These financial statements are the responsibility of the Organization's management. 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 of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities and net assets of Asha for Education, as of December 31, 2003 and its activity and its cash flow for the year then ended in conformity with generally accepted accounting principles.



Abraham Itani, CPA
9/02/2005

ASHA FOR EDUCATION
STATEMENT OF FINANCIAL POSITION
For the Calander Year Ending 12/31/2003

ASSETS	12/31/2003	
	Unrestricted	Temporarily Restricted
Cash and Cash Equivalents		\$12,814
Savings and Temporary Cash Investments		\$1,823,842
TOTAL ASSETS		\$1,836,656
		\$1,836,656
LIABILITIES & NET ASSETS		
LIABILITIES		
Accounts Payable		\$0
Grants Payable		\$0
TOTAL LIABILITIES		\$0
NET ASSETS		
Unrestricted	\$1,836,656	\$0
Temporarily Restricted		\$0
Permanently Restricted		\$0
TOTAL NET ASSETS		\$1,836,656
TOTAL LIABILITIES & NET ASSETS		\$1,836,656

*** See accompanying notes and accountants report ***

**ASHA FOR EDUCATION
STATEMENT OF ACTIVITY**

For the Year Ended December 31, 2003

STATEMENT OF CASH FLOWS

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
SUPPORT AND OTHER INCOME				
Direct Public Support and Special Events	\$ 1,070,860	\$ -	\$ -	\$ 1,070,860
Indirect Public Support	\$ 110,793	\$ -	\$ -	\$ 110,793
Fund Raising	\$ 640,368	\$ -	\$ -	\$ 640,368
Income from sale of Inventory	\$ 6,276	\$ -	\$ -	\$ 6,276
Investment income	\$ 10,931	\$ -	\$ -	\$ 10,931
Other Revenues	\$ 11,399	\$ -	\$ -	\$ 11,399
TOTAL SUPPORT AND OTHER INCOME	\$ 1,850,627	\$ -	\$ -	\$ 1,850,627
EXPENSES				
Programs	\$ 1,172,682	\$ -	\$ -	\$ 1,172,682
Management & General	\$ 21,080	\$ -	\$ -	\$ 21,080
Special Events	\$ 215,259	\$ -	\$ -	\$ 215,259
TOTAL EXPENSES	\$ 1,409,021	\$ -	\$ -	\$ 1,409,021
CHANGE IN NET ASSETS	\$ 441,606	\$ -	\$ -	\$ 441,606
NET ASSETS AT BEGINNING OF YEAR	\$ 1,395,050	\$ -	\$ -	\$ 1,395,050
NET ASSETS AT END OF YEAR	\$ 1,836,656	\$ -	\$ -	\$ 1,836,656

*** See accompanying notes and accountants reports ***

ASHA FOR EDUCATION
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2003

STATEMENT OF CASH FLOWS	12/31/03
(Increase/Decrease in Cash and Cash Equivalents)	
Cash Flows from operating activities:	
Change in Net Assets	\$ 441,606
Adjustments to reconcile change in net assets to net cash provided	
by operating activities:	
(Increase)Decrease in Receivables	\$ -
Increase(Decrease) in Accounts Payable	\$ -
Increase(Decrease) in Grants Payable	\$ -
Total adjustments	\$ -
Net Cash Used/Provided by operating activities	
Cash flows from investing activities:	
Increase(Decrease) in Investment	\$ -
Increase(Decrease) in Endowment	\$ -
Net Cash Used/Provided by investing activities	
Cash flows from financing activities:	\$ -
Net Cash Used/Provided by financing activities	\$ -
Net increase/decrease in cash and cash equivalents	\$ 441,606
Operating cash at the beginning of the year	\$ 1,395,050
Operating Cash at the End of the Year	\$ 1,836,656

See accompanying notes and accountants report

ASHA FOR EDUCATION
STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2003

Organizational activities:

	Programs	Management and General	Fundraising	Special Events	Total
Grants & Allocations	\$ -	\$ -	\$ -	\$ -	\$ -
Compensation	\$ -	\$ -	\$ -	\$ -	\$ -
Advertisements	\$ 4,549	\$ -	\$ -	\$ -	\$ 4,549
Telephone	\$ -	\$ -	\$ -	\$ -	\$ -
Printing and Postage	\$ 1,980	\$ -	\$ -	\$ -	\$ 1,980
Equipment rental and maintenance	\$ -	\$ -	\$ -	\$ -	\$ -
Credit Card Processing fees	\$ 5,558	\$ -	\$ -	\$ -	\$ 5,558
P.O. Box rental	\$ 124	\$ -	\$ -	\$ -	\$ 124
Banking fees	\$ 1,624	\$ -	\$ -	\$ -	\$ 1,624
Facilities Rental and Catering	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous	\$ -	\$ 7,245	\$ -	\$ -	\$ 7,245
Total	\$ 13,835	\$ 7,245	\$ -	\$ -	\$ 21,080

Unrestricted

*** See accompanying notes and accountants report***

Temporarily Restricted

Temporarily restricted assets are unavailable for use until the restriction has been removed by the passage of time or until certain event occurs.

Permanently Restricted

Permanently restricted assets are those with a donor-imposed stipulation that resources be maintained permanently but permits the organization to expend part or all of the income derived from the donated assets.

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Operating Cycle:

The organization's fiscal year starts January first of every year, and end on December 31 of the same year.

Income Taxes:

The Organization is a not for profit organization, exempt from income taxes under section 501(c)(3) of the Internal Revenue Code.

1. Defining the Entity

Organizational activities:

Asha for Education was incorporated in March 13, 1997 in the state of California. The organization focuses on education and social development projects across the social spectrum in the Indian peninsula. It has chapters all over the globe.

2. Significant Accounting Policies

Basis of Accounting:

The financial statements of the Organization are prepared on the accrual basis of accounting and in accordance with generally accepted accounting principles. Accordingly, revenue is recognized when earned and expenses are recognized when incurred.

The financial statements are presented in accordance with Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for Profit Organizations. Accordingly, these statements present financial position and activities according to these classes of net assets: Unrestricted, Temporarily restricted and permanently restricted based on the presence or absence of donor stipulation on contributions received by Asha for Education, those stipulations are as follows:

Unrestricted:

All money and items received are considered to be available for unrestricted use
Unless specifically restricted by the donor.

Temporarily Restricted:

Temporarily restricted assets are unavailable for use until the restriction has been
Removed by the passage of time or until certain event occurs.

Permanently Restricted:

Permanently restricted assets are those with a donor-imposed stipulation that resources
be maintained permanently but permits the organization to expend part or all of the
income derived from the donated assets.

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Operating Cycle:

The organization's fiscal year starts January first of every year, and end on December 31 of the same year.

Income Taxes:

The Organization is a not for profit organization exempt from income taxes under section 501(c) (3) of the Internal Revenue Code.

Asha for Education
December 31, 2003

Contributed Services:

The Organization does not recognize any revenue, support or expenses from services contributed by volunteers because such a contributions does not meet the criteria for financial statements recognition under generally accepted accounting principles.

Cash and Cash Equivalents:

Cash and cash equivalents consist of cash held in checking and savings.

Investments and endowments:

Under SFAS No 124, investments in marketable securities with readily determinable fair values are valued at their fair values in the statement of financial position. Unrealized gains and losses, if any, are included in the change in net assets.

Property and equipment:

Fixed assets are recorded at cost if purchased, or fair market value if acquired by gift. Currently the organization holds no fixed assets.