

**SHINE
HUMANITY**

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Shine Humanity

I have audited the accompanying financial statements of Shine Humanity (a nonprofit organization) which comprise the statement of financial position as of December 31, 2015, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 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 judgment, 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. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Shine Humanity as of December 31, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.



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To the Board of Directors of
Shine Humanity

Other Matter

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on page 6 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads 'Troy Yoshida'.

Troy Yoshida CPA, Inc.
Garden Grove, CA
August 15, 2016

**SHINE HUMANITY
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2015**

	Total
ASSETS	
CURRENT ASSETS:	
Cash	\$ 129,456
Prepaid Expense	3,625
TOTAL CURRENT ASSETS	133,081
OTHER ASSETS:	
Deposits	625
TOTAL OTHER ASSETS	625
TOTAL ASSETS	\$ 133,706
LIABILITIES & NET ASSETS	
CURRENT LIABILITIES:	
Accounts Payable	\$ 3,342
Payroll Taxes Payable	518
TOTAL CURRENT LIABILITIES	3,860
NET ASSETS:	
Unrestricted	129,846
TOTAL NET ASSETS	129,846
TOTAL LIABILITIES & NET ASSETS	\$ 133,706

**SHINE HUMANITY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Unrestricted</u>
REVENUES AND OTHER SUPPORT	
Contributions	\$ 187,126
Fundraisers	43,500
Interest Income	151
TOTAL REVENUES AND OTHER SUPPORT	230,777
 EXPENSES	
Program Expenses	\$ 181,348
Management and General	24,010
Fundraising	34,947
TOTAL EXPENSES	240,305
 CHANGE IN NET ASSETS	\$ (9,528)
 NET ASSETS AT BEGINNING OF YEAR	\$ 139,374
 NET ASSETS AT END OF YEAR	\$ 129,846

SHINE HUMANITY
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2015

	Program Services	Management and General	Fundraising	Total
Grants	\$ 177,504	\$ -	\$ -	\$ 177,504
Advertising & Promotion	-	-	180	180
Bank Fees	-	2,419	-	2,419
Computer Expense	-	2,601	-	2,601
Fundraising Expenses				
Contracted Services	-	-	14,819	14,819
Equipment Rental	-	-	3,266	3,266
Facility Rental	-	-	7,020	7,020
Insurance	-	2,929	-	2,929
Miscellaneous	-	10	-	10
Office Expense	-	795	-	795
Payroll	3,467	3,467	3,467	10,401
Payroll Taxes	377	377	377	1,131
Permits & Fees	-	76	-	76
Postage & Delivery	-	786	-	786
Printing	-	314	586	900
Professional Fees	-	4,800	-	4,800
Rent	-	3,696	3,696	7,392
Supplies	-	298	1,536	1,834
Telephone	-	1,226	-	1,226
Travel	-	216	-	216
TOTAL EXPENSES	\$ 181,348	\$ 24,010	\$ 34,947	\$ 240,305

**SHINE HUMANITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2015**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$ (9,528)
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Adjustments to Reconcile Change in Net Assets

To Net Cash Provided by Operating Activities:

Changes in Operating Assets and Liabilities:

(Increase) Decrease in Prepaid Expense	(875)
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(Increase) Decrease in Deposits	(18)
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Increase (Decrease) in Accounts Payable	3,264
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Increase (Decrease) in Payroll Taxes Payable	167
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NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(6,990)
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NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS	(6,990)
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BEGINNING CASH AND CASH EQUIVALENTS	\$ 136,446
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ENDING CASH AND CASH EQUIVALENTS	\$ 129,456
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SHINE HUMANITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

1. Summary of Significant Accounting Policies

Nature of Organization

SHINE Humanity provides humanitarian, medical and disaster relief assistance to global communities in need, specifically Pakistan; while establishing long term medical solutions. The Organization's support comes entirely from donor contributions.

Basis of Presentation

The Organization follows the provisions of Statement of Financial Accounting Standards ("SFAS") No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Organization reports amounts in the accompanying financial statements for each of three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

Unrestricted Net Assets – Net assets that are not subject to donor-imposed restrictions. Unrestricted net assets generally result from unrestricted contributions and interest and dividends, less expenses incurred in providing services and fundraising and other administrative expenses.

Temporarily Restricted Net Assets – Net assets that are subject to donor-imposed restrictions that require the passage of time or the occurrence of a specific event to become available for unrestricted use. As of December 31, 2015, there were no temporarily restricted net assets.

Permanently Restricted Net Assets – Net assets are subject to donor-imposed restrictions that may be maintained permanently while permitting the Organization to use or expense part or all of the income derived from the donated assets. As of December 31, 2015, there were no permanently restricted net assets.

SHINE HUMANITY
NOTES TO FINANCIAL STATEMENTS
(Continued)
DECEMBER 31, 2015

1. Summary of Significant Accounting Policies – (Continued)

Basis of Presentation – (continued)

The Organization also follows the provisions of SFAS No. 116, *Accounting for Contributions Received and Contributions Made*. Under SFAS No. 116, the Organization records gifts of cash and other assets as temporarily restricted net assets if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from donor restrictions. Donor-restricted contributions, whose restrictions are met within the fiscal year, are reported as unrestricted revenues, gains and other support.

Use of Estimates and Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of 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.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with the accounting principles generally accepted in the United States of America.

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months.

SHINE HUMANITY
NOTES TO FINANCIAL STATEMENTS
(Continued)
DECEMBER 31, 2015

1. Summary of Significant Accounting Policies – (Continued)

Concentration of Credit Risk

The Organization occasionally maintains deposits in excess of federally insured limits. Statement of Financial Accounting Standards No. 105 identifies these items as a concentration of credit risk requiring disclosure, regardless of the degree of risk. The risk is managed by maintaining all deposits in high quality financial institutions.

Revenues and Support

The Organization receives almost all of its revenues from donor contributions and fundraising events.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Taxes

The Organization is a not-for-profit organization, as described in Section 501(c)(3) of the Internal Revenue Code and corresponding state law. Accordingly, the Organization is exempt from federal and state income taxes. The Organization has taken no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

Subsequent Events

Management has evaluated events and transactions that occurred after the balance sheet date for potential recognition and disclosure through July 31, 2016, the date which the financial statements were available to be issued. No events or transactions were identified that require disclosure in the financial statements.

SHINE HUMANITY
NOTES TO FINANCIAL STATEMENTS
(Continued)
DECEMBER 31, 2015

2. Cash & Cash Equivalents

The total cash held by the Organization at December 31, 2015 totaled \$129,456 maintained in several accounts. The accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per account.

3. Lease Obligations

The Organization leases office space at a rate of \$625 per month under a twelve month operating lease expiring June 30, 2016. The minimum lease payment due for the year ended December 31, 2016 is \$3,750.

4. Contributed Services

A number of unpaid volunteers have made significant contributions to the different Organization program services. The value of these contributions is not reflected in these statements since they do not meet the criteria for recognition as contributed services.