

**TANZANIAN ADVENTISTS IN UNITED STATES OF AMERICA
(TAUS, INC.)**

**Financial Statements with
Independent Auditors' Report**

For the Year Ended July 31, 2021



INDEPENDENT AUDITORS REPORT

March 10, 2022

To the Board of Directors of:

Tanzanian Adventists in United States of America (TAUS, INC)

PO BOX 8207

815 Main Street,

Fitchburg, MA 01420

Report on the Financial Statements

We have audited the accompanying financial statements of Tanzanian Adventists in United States of America (TAUS, INC) (a non-profit organization) which comprise the statements of financial position as of July 31, 2021, and the related statements of activities, functional expenses 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 the 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

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. These standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of 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 auditors' 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 presentation 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.

See Accompanying Notes to the Financial Statements

Accordingly, we 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.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Tanzanian Adventists in United States of America as of July 31, 2021, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Iddi Sandaly, CPA



Seruwage
Consulting and CPAs

TAUS, INC.
STATEMENT OF FINANCIAL POSITION
AS OF JULY 31, 2021

	<u>Total</u>
ASSETS	
Cash and Cash Equivalents :	
Checking	\$ 65,318
	<u>-</u>
TOTAL ASSETS	<u>\$ 65,318</u>
NET ASSETS	
<u>Net Assets:</u>	
Without donor restrictions	<u>65,318</u>
TOTAL NET ASSETS	<u>\$ 65,318</u>

See Accompanying Notes to the Financial Statements

TAUS, INC.			
STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS			
FOR THE YEAR ENDED JULY 31, 2021			
	Without	With	
	Donor	Donor	
	Restrictions	Restrictions	Total
<u>SUPPORT AND REVENUE</u>			
Contributions	\$ 58,699	\$ -	\$ 58,699
Other Income	112	-	112
	-	-	-
Total Support and Revenue	58,811	-	58,811
<u>EXPENSES</u>			
Program Services	20,921	-	20,921
Retreat	3,805	-	3,805
	-	-	-
Supporting Services:			
Management and General	2,985	-	2,985
	-	-	-
Total Expenses	27,711	-	27,711
Change in Net Assets	31,100	-	31,100
Net Assets at Beginning of Year	34,218	-	34,218
NET ASSETS AT END OF YEAR	\$ 65,318	\$ -	\$ 65,318

See Accompanying Notes to the Financial Statements

TAUS, INC.			
STATEMENT OF FUNCTIONAL EXPENSES			
FOR THE YEAR ENDED JULY 31, 2021			
		Supporting Services	
		Management	
	Program	and	
	Services	General	Total
Projects	\$ 20,921	\$ -	\$ 20,921
Retreat	3,805	-	3,805
Website		657	657
Bank Fees		1,537	1,537
Office Expenses		791	791
	-	-	-
TOTAL	<u>\$ 24,726</u>	<u>\$ 2,985</u>	<u>\$ 27,711</u>

See Accompanying Notes to the Financial Statements

TAUS, INC	
STATEMENT OF CASH FLOWS	
FOR THE YEAR ENDED JULY 31, 2021	
	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ 31,100
	<u>-</u>
Net cash provided by operating activities	31,100
Net increase in Cash and Cash Equivalents	<u>31,100</u>
Cash and Cash Equivalents, Beginning of Year	<u>34,218</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 65,318</u>

See Accompanying Notes to the Financial Statements

TAUS, INC.
Notes to the Financial Statements
July 31, 2021

1. NATURE OF ACTIVITIES

Tanzanian Adventists in United States of America (TAUS, INC). The organization was established in 1999 and, registered in **2002** in the state of Massachusetts to operate exclusively for charity in evangelism, health, and educational purposes within the meaning of section 501© (3) of the Internal Revenue Code, providing services and support various charitable projects in Tanzania, without limitation, to the following:

- Assist in the spiritual growth of TAUS members.
- Do God's work through evangelism, health, and education.
- To explore investment opportunities for the benefit of TAUS and its members

2. SUMMARY OF SIGNIFICANT

Basis of Accounting

The Organization recognizes income on the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, Presentation of Financial Statements of Not-for-Profit Entities. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions. Descriptions of the two net asset categories are as follows:

- **Net Assets Without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Assets restricted solely through the actions of the Board are referred to as Board designated and are also reported as net assets without donor restrictions.
- **Net Assets With Donor Restrictions** - Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in "net assets with donor restrictions", depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities and Change in Net Assets as net assets released from donor restrictions. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue without donor restrictions when the assets are placed in service.

3. 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 Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

TAUS, INC.
Notes to the Financial Statements
July 31, 2021

4. PROPERTY AND EQUIPMENT

Property and equipment are stated at cost. Depreciation is calculated for financial statement purposes using the straight-line method based on the property's estimated life. Additions and improvements that add materially to productive capacity or extend the life of an asset are capitalized. Normal repairs and maintenance are charged against income. When facilities are retired or sold, their cost and accumulated depreciation are removed from the accounts and related gains, or losses are included in income. In case of trade items, any remaining book value increases the basis of the new acquisitions. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. There are no fixed assets for the year ended July 31, 2021.

5. INCOME TAXES

The Organization is a not-for-profit organization that is generally exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the organization has been classified as an organization that is not a private foundation under Section 590(a)(1). Income that is not related to exempt purposes, less applicable deductions, is subject to Federal and state corporate income taxes. The Organization did not have any unrelated business income for the year ended July 31, 2021.

6. CASH AND CASH EQUIVALENTS

For purposes of the statements of financial position and cash flows, the Organization considers the checking account to be considered cash.

7. CONTRIBUTIONS

Contributions are recognized in the appropriate category of net assets in the period received. TAUS, INC. performs an analysis of the individual contribution to determine if the revenue streams follow the contribution rules under ASU 2018-08, Not-for-Profit Entities (Topic 958): Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made.

Contributions qualifying under the contribution rules, revenue is recognized upon satisfaction of all conditions, if applicable. Conditional promises to give are not recognized until the conditions on which they depend are substantially met.

Contributions that are unconditional and have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions; such funds in excess of expenses incurred are shown as net assets with donor restrictions in the accompanying financial statements. TAIUS, INC did not have any unrecognized conditional contribution at July 31, 2021.

8. CONTRIBUTED SERVICES

TAUS, INC.
Notes to the Financial Statements
July 31, 2021

Several unpaid volunteers have made significant contributions of their time to the management of the Organization and to the general operations. The value of this donated time is not recognizable and is not reflected in these financial statements.

9. PROMISE TO GIVE

Unconditional promises to give are recognized as revenue or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. All promises to give are due in less than one year.

10. USE OF ESTIMATES

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the 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. There was no any estimates in 2021.

11. UNCERTAIN TAX PROVISIONS

Accounting for uncertain income tax positions, relating to both federal and state income taxes, are required when a more likely than not threshold is attained. If such positions result in uncertainties, then the unrecognized tax liability is estimated based on a cumulative probability assessment that aggregates the estimated tax liability for all uncertain tax positions. With the adoption of these new rules, the Organization assessed its tax positions in accordance with the guidance. The Organization has determined that its tax status as a MA non-profit corporation is its only tax position and is highly certain. Therefore, these new rules had no impact on the Organization's financial statements.

12. SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 28, 2022, the date which the financial statements were available to be issued.

13. CONCENTRATION OF CREDIT RISK- CASH

The Organization has it is cash account at local bank. This account is insured, up to \$250,000, by the Federal Deposit Insurance Corporation. The Organization has not experienced any losses and believes it is not exposed to any significant credit risk on cash.

The organization has the following balance as at July 31, 2021.

TAUS, INC.
Notes to the Financial Statements
July 31, 2021

Cash and cash equivalents		\$65,318
		<u>-</u>
Subtotal financial assets available within one year		65,318
Donor restricted funds		<u>-</u>
FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS		
FOR GENERAL EXPENDITURES WITHIN ONE YEAR		<u>\$65,318</u>