

PODARI.LIFE
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2017

Yelena Vaysburd
Certified Public Accountant

TABLE OF CONTENTS:

INDEPENDENT ACCOUNTANT'S REPORT 1-2

AUDITED FINANCIAL STATEMENTS:

STATEMENT OF FINANCIAL POSITION 3

STATEMENT OF ACTIVITIES & CHANGES IN NET ASSETS 4

STATEMENT OF FUNCTIONAL EXPENSES 5

STATEMENT OF CASH FLOWS 6

NOTES TO FINANCIAL STATEMENTS 7-10

Yelena Vaysburd, CPA

2 Fisher Avenue

Swampscott, MA 01907

(781)-592-5954

INDEPENDENT ACCOUNTANT'S AUDIT REPORT

To the Board of Directors of

PODARI.LIFE INC.

I have audited the accompanying financial statements of the PODARI.LIFE, Inc.(a nonprofit organization), which comprise the statement of financial position as of December 31, 2017, the related statements of activities, cash flows and functional expenses allocations statements 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 the audit. I conducted the 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 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 we have obtained is sufficient and appropriate to provide a basis for my audit opinion.

INDEPENDENT ACCOUNTANT'S AUDIT REPORT (continued)

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the PODARI.LIFE, Inc. as of December 31, 2017, 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.

Yelena Vaysburd, CPA

Swampscott, MA

August 16, 2018

PODARILIFE, INC.
STATEMENT OF FINANCIAL POSITION
December 31, 2017

See accompanying notes and accountant's audit report.

ASSETS

CURRENT ASSETS:

Cash and Cash Equivalents:

Salem Five Bank Checking # 1	\$	32,779	
Salem Five Bank Checking # 2		50,050	
PayPal Account		3,019	
Total Cash and Cash equivalents		85,848	
Crypto currency wallet			1,180,574
Total Current Assets			\$ 1,266,422
TOTAL ASSET			\$ 1,266,422

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Credit Card	\$	7,034	
Accrued Expenses		19,152	
Total Current Liabilities			\$ 26,186
TOTAL LIABILITIES			\$ 26,186

NET ASSETS

Net assets, unrestricted	\$	1,240,236	
TOTAL NET ASSETS			\$ 1,240,236
TOTAL LIABILITIES AND NET ASSETS			\$ 1,266,422

PODARILIFE, INC.
STATEMENT OF ACTIVITIES
Year ended December 31, 2017

See accompanying notes and accountant's audit report

CHANGES IN UNRESTRICTED NET ASSETS:

Revenues and Support:

Donations from corporations	\$ 12,783
Donations from individuals	57,471
Donations in crypto currency	1,309,602
Loss on crypto currency rate variance	(129,028)
Fundraising Events Income	13,970
<u>Total Revenues and Support:</u>	<u>\$ 1,264,798</u>

Expenses:

Program services	\$ 50,722
Management and general	2,366
Fundraising	9,063
<u>Total Expenses</u>	<u>\$ 62,151</u>
Increase/(Decrease) in net assets	<u>1,202,647</u>

STATEMENT OF UNRESTRICTED FUND BALANCE
Year ended December 31, 2016

Net Assets, Beginning of the Year	\$ 37,589
Increase in Net Assets	1,202,647
<u>Net Assets, End of the Year</u>	<u>\$ 1,240,236</u>

PODARILIFE, INC.
STATEMENT OF CASH FLOWS
Year ended December 31, 2017

See accompanying notes and accountant's audit report

Cash Flows From Operating Activities:

Change in net assets	\$ 1,202,647
Adjustments to reconcile changes in net assets to Net Cash provided by Operating Activities:	
Increase (decrease) in:	
Accrued Expenses	\$ 19,152
Credit Card	7,034
Crypto currency wallet	(1,180,574)
<u>Net Cash Provided/(Used) by Operating Activities</u>	<u>\$ 48,259</u>
Cash and Cash Equivalents – Beginning of the Year	\$ 37,589
Cash and Cash Equivalents – End of the Year	<u>\$ 85,848</u>

Supplemental Information:

Interest Paid	\$ 0
---------------	------

PODARILIFE, INC.
SUPPLEMENTARY INFORMATION:
STATEMENT OF FUNCTIONAL EXPENSES ALLOCATION
Year ended December 31, 2017

See accompanying notes and accountant's audit report

	Program expenses	Management and general	Fundraising	Total expenses
Advertising & promotions	\$	\$	\$ 856	\$ 856
Bank charges & merchant fees		667		667
Business registration fees		104		104
Fundraising fees			9,063	9,063
Program expenses	46,675			46,675
Postage		522		522
Telephone & telecommunications		216		216
Travel	4,048			4,048
Total expenses	\$ 50,723	\$ 1,509	\$ 9,919	\$ 62,151

PODARILIFE, INC.
Notes to Financial Statements
Year ended December 31, 2017

See independent accountant's audit report

Note 1 - Nature of business

The PODARILIFE, INC. is a Boston-based non-profit organization (The Organization) created on June 1, 2015. The main purposes of the Organization are as follows:

- To assist children and young adults, in particular from Russian Federation and other former Republics of the Soviet Union, who have been diagnosed with cancer in general, and leukemia in particular or the other serious life-threatening diseases and to further assist the family members of these children and young adults in obtaining prompt and adequate medical treatment and rehabilitation support.
- To advance public education on the subject of cancer, leukemia and other life-threatening diseases affecting children and young adults, to increase cancer awareness and to support cancer research
- To form the network of volunteers who are interested in assisting children and young adults diagnosed with cancer, leukemia or other serious disease

Note 2 - Summary of significant accounting policies

Basis of accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles and, accordingly, reflect all significant receivables, payables and other liabilities.

Basis of presentation

The Organization reports net assets and revenues, expenses, gains, and losses in accordance with the provisions of FASB Accounting Standard Codification (ASC) 958-205 "*Financial Statements Presentation*." Under ASC 958-205, financial information is classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets:

Net assets that are not subject to any donor-imposed restrictions are reported as unrestricted net assets.

Temporarily restricted net assets:

Net assets subject to donor-imposed stipulations that may or will be met, either by actions of Podari.Life and/or the passage of time are reported as temporarily restricted net assets. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

PODARLIFE, INC.
Notes to Financial Statements
Year ended December 31, 2017

See independent accountant's audit report

Basis of presentation 9 continued)

Permanently restricted net assets:

Permanently restricted net assets are comprised of assets contributed to the Organization that are to remain in perpetuity as permanent assets of the Organization.

Note 2 - Summary of significant accounting policies- continued

Cash and cash equivalents

The Organization considers all highly liquid investments to be cash equivalents when purchased. Cash and cash equivalents for purposes of the statement of cash flows exclude permanently restricted cash equivalents.

Contributions in crypto currency

In 2017, the Organization began accept contributions in crypto currency (bitcoins) via its crypto currency wallet on the Organization's website. The total amount of \$1,309,602 has been donated by anonymous donors. The coinbase.com platform converts the value of crypto currency donations into US dollars. At the end of the fiscal year, the value of the donations has been re-assessed and a total loss in value of \$129,028 has been recorded for 2017.

Income taxes

The Organization has been granted tax-exempt status under Internal Revenue Code Section 501(c)(3) and is, therefore, generally exempt from federal and state income taxes. Accordingly, no provision for income taxes has been provided for in the accompanying financial statements. ASC 740-10, "Income Taxes" requires The Organization to evaluate and disclose tax positions that could have an effect on its financial statements. The Organization reports its activities to the Internal Revenue Service and Commonwealth of Massachusetts on an annual basis. The informational returns are generally subject to audit and review by the governmental agencies for a period of three years after filing. Substantially all of the Organization's income, expenditures and activities related to its exempt purpose, therefore, management has determined that the Organization is not subject to unrelated business income taxes and will continue to qualify as a tax-exempt not-for-profit entity.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Advertising

Advertising costs are expensed as they are incurred. During the years ended 2017, expenses was \$ 856.

PODARLIFE, INC.
Notes to Financial Statements
Year ended December 31, 2017

See independent accountant's audit report

Note 2 - Summary' of significant accounting policies- continued

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 disclosure of contingent assets and liabilities at the date of financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Functional allocation of expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of revenues, expenses and changes in net assets – accrual basis and in the statement of functional expenses – accrual basis. Directly identifiable expenses are charged to programs, management and general or fundraising functions. Expenses related to more than one function are charged to programs, management and general, and/or fundraising functions on the basis of management's best estimate based on periodic review of expense items. General administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Note 3 - Unrestricted net assets

Unrestricted net assets are available for general business purposes. There are no restrictions on the use of these net assets. The balance of the unrestricted net assets is made up of beginning unrestricted net assets plus the increase (decrease) in unrestricted net assets during the year. The unrestricted net assets amounted to \$1,240,236 for the year ended December 31, 2017.

NOTE 4 – FUNDRAISING ACTIVITIES

The total cost of all fundraising activities for 2017 was \$9,919. The ratio of fundraising expenses to the amounts raised is 0.7%, the amounts raised include grants and contributions received during 2017.

Note 5 – SPECIAL EVENTS

The Organization held four special fundraising events in the fiscal year 2017. The Organization collected \$13,970 in contributions and spent \$6,691 in various related expenses.

PODARLIFE, INC.
Notes to Financial Statements
Year ended December 31, 2017

See independent accountant's audit report

Note 6 - Evaluation of subsequent events

ASC 855-10, "*Subsequent Events*," defines further disclosure requirements for events that occur after the statement of financial position date but before financial statements are issued. In accordance with ASC 855- 10, The Organization's management has evaluated events through July 20, 2018, which is the date the financial statements were available to be issued. There has been no material event noted during this period that would either impact the results reflected in this report or the Organization's results going forward.