

POSSIBLE

AUDITED FINANCIAL
STATEMENTS

with

Accompanying Independent
Auditor's Report

Year Ended July 31, 2024

POSSIBLE

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors

Possible

Minneapolis, MN

We have audited the accompanying financial statements of POSSIBLE, which comprise of the statement of financial position as of July 31, 2024, and the related statements of activities, functional expenses, and cash flows for the years 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

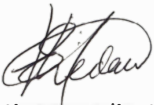
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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, 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 POSSIBLE, as of July 31, 2024, and the results of its activities and changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Minneapolis, MN

December 10, 2024

POSSIBLE
STATEMENTS OF FINANCIAL POSITION
AS OF JULY 31, 2024

ASSETS	<u>2024</u>
Current Assets	
Cash and Cash Equivalents	\$ 921,390
Restricted Cash	363,337
Grants Receivable	79,731
Prepaid Expenses	<u>4,826</u>
Total Current Assets	1,369,284
Property and Equipment, Net	<u>1,865</u>
Total Assets	<u><u>\$ 1,371,149</u></u>
 LIABILITIES AND NET ASSETS	
Liabilities	
Accounts Payable and Accrued Expenses	<u>\$ 70,040</u>
Total Liabilities	70,040
 Net Assets	
Without Donor Restrictions	937,772
With Donor Restrictions	<u>363,337</u>
Total Net Assets	1,301,109
 TOTAL LIABILITIES AND NET ASSETS	 <u><u>\$ 1,371,149</u></u>

POSSIBLE**STATEMENTS OF ACTIVITIES**

FOR THE YEARS ENDED JULY 31, 2024

2024

	Without Donor Restrictions	With Donor Restrictions	Total
Public Support and Other Revenues			
Public Support			
Gifts and Contribution	\$ 1,336,649	\$ 283,606	\$ 1,620,255
Grants	-	79,731	79,731
Donated Goods and Services	17,496	-	17,496
Contribution Pledges	16,062	-	16,062
Other Revenues			
Interest Income	66	-	66
Total Public Support and Other Revenues	1,370,273	363,337	1,733,610
Net Assets Release From Restrictions			
Satisfaction of Donor Restrictions	141,071	(141,071)	-
Total Public Support and Other Revenues	1,511,344	222,266	1,733,610
Expenses			
Program Services	1,014,303	-	1,014,303
Supporting Services			
Fundraising Expenses	15,130	-	15,130
General and Administrative Expenses	44,270	-	44,270
Total Supporting Services	59,400	-	59,400
Total Expenses	1,073,703	-	1,073,703
Changes in Net Assets	437,641	222,266	659,907
Net Assets, Beginning of Year	500,131	141,071	641,202
Net Assets, End of Year	\$ 937,772	\$ 363,337	\$ 1,301,109

POSSIBLE**STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED JULY 31, 2024****2024**

	Program Services				Supporting Services		Total Program Services
	Direct Delivery	System Building	Design and Research	Total Program Services	G&A	Fundraising	
Grants to Nepal Affiliate	\$ 332,982	\$ 179,893	\$ 350,395	\$ 863,270	\$ -	\$ -	\$ 863,270
Salaries and Wages	-	3,600	1,800	5,400	9,000	3,600	18,000
In-Kind Expenses	-	-	-	-	-	-	-
Consultancy and Other Professional Fees	-	63,460	40,142	103,602	3,974	1,204	108,780
Payroll Taxes and Fees	-	1,162	581	1,744	2,655	1,162	5,561
Employee Benefits	-	-	-	-	-	-	-
Website and IT Services	-	2,704	35,399	38,103	2,886	6,266	47,255
Accounting and Auditing Fees	-	-	-	-	16,153	-	16,153
Staff Recruitment, Development and Insurance	-	2,185	-	2,185	-	-	2,185
Office, Telephone, Printing and Postage	-	-	-	-	3,330	-	3,330
Depreciation Expense	-	-	-	-	2,405	-	2,405
Miscellaneous	-	-	-	-	1,134	-	1,134
Travel	-	-	-	-	-	165	165
Legal Fees	-	-	-	-	2,267	2,267	4,534
	-	-	-	-	466	466	931
	\$ 332,982	\$ 253,004	\$ 428,317	\$ 1,014,303	\$ 44,270	\$ 15,130	\$ 1,073,703

POSSIBLE**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JULY 31, 2024**

	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in Net Assets	\$ 659,907
Adjustments to Reconcile Change in Net Funds to Net Cash Provided by Operating Activities:	
Changes in Operating Assets and Liabilities	
Depreciation	1,134
Credit Cards	<u>(152)</u>
Net Cash Provided By Operating Activities	660,889
CASH FLOWS FROM INVESTING ACTIVITIES:	
IT Hardware and Communications	<u>(1,377)</u>
Net Cash Used By Investing Activities	(1,377)
CASH FLOWS FROM FINANCING ACTIVITIES:	
Loan	<u>-</u>
Net Cash From (Used By) Financing Activities	-
NET INCREASE (DECREASE) IN CASH AND CASH	659,512
Cash and Cash Equivalents - Beginning of Year	<u>625,215</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 1,284,727</u></u>

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Notes to Financial Statements
For the year ended July 31, 2024

Note 1 - Organization and Summary of Significant Accounting Policies

Nature of the Organization

Possible, a nonprofit corporation (the "Organization") was incorporated in 2005 in the State of Illinois under the provisions of the Illinois Solicitation for Charity Act, Section 225 and qualifies as a tax- exempt not-for-profit corporation under Section 501(c)(3) of the Internal Revenue Code. The Organization is not classified as a private foundation under Section 509(a); accordingly, contributions made to this Organization qualify for the maximum charitable deduction for Federal income tax purposes. Effective March 18, 2014, the Organization began operating under the name "Possible". Prior to that it operated under the name Nyaya Health.

Affiliations

Nyaya Health is affiliated with Nyaya Health Nepal ("NHN") and Sambhav (Possible), Nepal based NGOs. The organizations operate under a Memorandum of Understanding whereby the local NGO supports the implementation of their joint mission. Nyaya Health makes funding decisions regarding NHN and Sambhav (Possible) through an annual budgeting process based upon funding availability. Funds are distributed on a quarterly basis. Each entity is controlled by separate Boards of Directors; however, the organizations collaborate on identifying needs, developing proposals, implementing projects, and providing support, mentorship, and any other assistance. These financial statements include the activities of Possible only and not those of the combined operations.

Basis of Accounting

The Organization's policy is to maintain its books and prepare its financial statements on the accrual basis of accounting in accordance with generally accepted accounting principles. Consequently, revenues and gains are recognized when earned and expenses and losses are recognized when a liability has been incurred.

Cash and Cash Equivalents

The organization considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

Restricted Cash

Included in restricted cash are funds kept in a separate bank account in connection with grants received by the Organization and board designated net assets in the year-ended July 31, 2024, in the amount of \$363,337 that was released from restriction in the subsequent period. Accordingly, restricted cash was \$363,337 as of July 31, 2024.

Net Assets

As required by the FASB Accounting Standards Codification, the Organization reports information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions. These classifications are related to the existence or absence of donor-imposed restrictions as presented on the following page.

Net Assets Without Donor Restrictions - consists of assets, public support and program revenues which are available and used for operations and programs. Net assets without donor restrictions represent the portion of net assets of the Organization that is neither permanently restricted nor temporarily restricted by donor-imposed stipulations. Contributions are considered available for unrestricted use unless specifically restricted by the donor.

Board Designated Net Assets: Board designated net assets consist of cash balances for future grants to Nepal based partner NGOs.

Net Assets With Donor Restrictions - includes funds with donor-imposed restrictions which permit the organization to expend the assets as specified and is satisfied either by the passage of time or by actions of the Organization. Resources of this nature originate from gifts, grants, bequests, contracts and investment income earned on restricted

POSSIBLE
Notes to Financial Statements
For the year ended July 31, 2024

Note 1- Organization and Summary of Significant Accounting Policies (continued)

funds. They also include resources which have a permanent donor-imposed restriction which stipulates that the assets are to be maintained permanently, but permits the Organization to expend part or all of the income derived from the donated assets

Donated Goods and Services

The Organization reports revenue for the fair value of contributed services received where the services require specialized skills, are provided by individuals possessing these skills and represent services that would have been purchased had they not been donated. In-kind contributions of goods are recorded at the fair value of items contributed.

Concentrations of Credit and Market Risk

Financial instruments that potentially expose the Organization to concentrations of credit and market risk consist primarily of cash. Cash at financial banking institutions fluctuates greatly during the year and at times such amounts exceed the current insured amount under the Federal Deposit Insurance Corporation (FDIC). The cash balance was fully insured by the Federal Deposit Insurance Corporation up to \$250,000. As of July 31, 2024, the Organization's cash balance exceeded federally insured limits by approximately \$1,034,727. Management regularly monitors the financial condition of the banking institutions, along with their balances in cash, and tries to keep this potential risk to a minimum.

Property and Equipment

Property and equipment acquired are recorded at cost. It is the organization's policy to capitalize expenditures. Property and equipment are being depreciated using the straight-line method over their estimated useful lives as follows:

Computer & equipment	3 years
Furniture & fixtures	5 years

Use of estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from those estimates. Significant estimates include long lived assets, interest rate and fair value of gifts received.

Program Services

The Organization is a nonprofit that works to achieve the vision of everyone everywhere having access to high-quality healthcare rooted in evidence, inclusion, and equity. To achieve this, Possible (1) conducts rigorous and collaborative research and innovation to address gaps in the equity, quality, and accessibility of healthcare and (2) Channel resources to deliver life-saving healthcare in Nepal. In collaboration with its partners in the US and Nepal, Possible leverages its long history of both direct care delivery and healthcare research, to provide technical assistance as well as develop and test novel interventions across various health categories (e.g., reproductive health, mental health) and at various systems of care (e.g., home-based, clinical-based, and hospital based). Possible's expertise is in working closely with community-based organizations to help develop a robust research and innovation infrastructure to create generalizable knowledge that can impact care in other low-resource settings.

Grants Receivable

Grants Receivable reflect the amount of expenses paid by the Organization but not yet reimbursed by the grantor.

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Notes to Financial Statements
For the year ended July 31, 2024

Note 1- Organization and Summary of Significant Accounting Policies (continued)

Contributions, Gifts and Grants

As required by the FASB Accounting Standards Codification, contributions are required to be recorded as receivables and revenues and the Organization is required to distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions. Contributions may include gifts of cash, collection items, or promises to give.

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, at the time when the conditions on which they depend are substantially met. Contributions of assets other than cash are reported at their estimated fair value. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risk involved, when such amounts are considered material.

Support that is restricted by the donor is reported as an increase 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 support is reported as an increase in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, it is reclassified to net assets without donor restrictions upon expiration of the restriction and reported in the statement of activities and changes in net assets as net assets released from restrictions.

Advertising

The Organization's policy is to charge the cost of advertising to expense as incurred. Advertising expense for the year ended July 31, 2024, was \$0.

Functional Expenses

As required by the FASB Accounting Standards Codification, the Organization allocates its expenses on a functional basis among various programs and support services. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expense classification. Other expenses that are common to several functions are allocated using formulas derived from the nature of related time. Supporting services are those related to operating and managing the Organization and their programs on a day-to-day basis. Supporting services have been sub-classified as follows:

Administrative - includes all activities related to the Organization's internal management and accounting for program services.

Fund Raising - includes all activities related to maintaining contributor information, writing grant proposals, direct mail solicitation, distribution of materials and other similar projects related to the procurement of funds.

Tax Position

The Organization currently evaluates all tax positions and makes a determination regarding the likelihood of those positions being upheld under review. The primary tax positions made by the Organization are the existence of Unrelated Business Income Tax and the Organization's status as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. For the year presented, the Organization has not recognized any tax benefits or loss contingencies for uncertain tax positions based on this evaluation.

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Notes to Financial Statements
For the year ended July 31, 2024

Note 2 - Restrictions on Net Assets

Net assets with donor restrictions reflect donations restricted for future expenses related to programs into operations support as well as evidence building around community health worker programs and a family intervention to address mental health and domestic violence in Nepal. As of July 31, 2024, there were \$363,337 net assets with donor restrictions.

Note 3 - Property and Equipment

Property and equipment at July 31, 2024 consist of the following:

	Life/Years	2024
Computers & equipment	3	\$ 14,226
Furniture & fixtures	5	450
Total cost		14,676
Less: accumulated depreciation		(12,811)
Property and equipment, net		\$ 1,865

Depreciation expense for the year ended July 31, 2024, was \$1,134.

Note 4 - Grants to Nepal Affiliate

Nyaya provides funding to Nyaya Health Nepal and Sambhav (Possible) in Nepal (See Note 1). Financial support is sent to Nepal via wire transfer. These NGO receive quarterly grants based on the specific expenditures and is responsible for its own filings in Nepal.

Note 5 - Employee Pension Plan

Possible employees may elect to enroll in a TriNet 401(k) Plan offered through Empower Retirement. The Organization does not provide a 401k match for any employee contributions nor does the Organization make any company contributions toward individual employee 401k plans. This elective benefit became effective as of May 1, 2014.

Note 6 - Liquidity

The Organization is substantially supported by donations without donor restrictions. Per the Organizations liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

The financial assets available within one year from July 31, 2024, for general expenditure are as follows:

Assets	
Cash and cash equivalents	\$ 921,390
Grant receivable	79,731
Total financial assets and other resources available for expenditure within one year	\$ 1,001,121

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Notes to Financial Statements
For the year ended July 31, 2024

The Organization has implemented significant cost reduction activities to improve cash liquidity. This includes a reduction in staffing and other reoccurring expenses such as rent. Additionally, major donors have been donating directly to Nyaya Health Nepal which results in an equal amount of decrease in contributions and expenses. The Organization believes that the current cash on hand and the future contributions can fund operations for an additional twelve months. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position.

Note 7 - Subsequent Events

The Organization has evaluated subsequent events through December 10, 2024, which is the date the financial statements were available to be issued.