

**EAST MEETS WEST FOUNDATION**

**and**

**REACH VIETNAM**

**(a subsidiary)**

**CONSOLIDATED FINANCIAL STATEMENTS**

**Years Ended December 31, 2005 and 2004**

**EAST MEETS WEST FOUNDATION**  
**and**  
**REACH VIETNAM**  
**(a subsidiary)**

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
East Meets West Foundation and Reach Vietnam  
Oakland, California

We have audited the accompanying balance sheets of East Meets West Foundation and its consolidated subsidiary, Reach Vietnam, as of December 31, 2005 and 2004, and the related consolidated statements of activities, cash flows and functional expenses for the years then ended. These financial statements are the responsibility of the East Meets West Foundation and its consolidated subsidiary, Reach Vietnam's, management. 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. 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 a 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 statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of East Meets West Foundation and its consolidated subsidiary, Reach Vietnam, as of December 31, 2005 and 2004, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

***Pohl, McNabola, Berg & Company, LLP***  
***Certified Public Accountants***

San Francisco, California  
February 15, 2006

**EAST MEETS WEST FOUNDATION**  
**and**  
**REACH VIETNAM (a subsidiary)**  
**Consolidated Statements of Net Assets**  
**December 31, 2005 and 2004**

**ASSETS**

	<u><b>2005</b></u>	<u><b>2004</b></u>
Assets:		
Cash including interest bearing accounts	\$ 2,734,482	2,292,280
Accrued interest	1,522	2,860
Prepaid expenses	73,663	72,716
Micro loans receivable	35,200	36,975
Grants receivable	19,467,515	16,175,000
Investments at fair value	8,207,005	5,032,423
Property and equipment - net	12,747	12,514
Total assets	<u>\$ 30,532,134</u>	<u>23,624,768</u>

**LIABILITIES AND NET ASSETS**

Liabilities:		
Accounts payable and accrued expense	\$ 433,847	40,776
Accrued payroll and other benefits	32,172	33,793
Deferred revenue	36,500	19,500
Total liabilities	<u>502,519</u>	<u>94,069</u>
Net assets:		
Unrestricted net assets	1,296,852	1,884,255
Temporarily restricted net assets	28,732,763	21,646,444
Total net assets	<u>30,029,615</u>	<u>23,530,699</u>
Total liabilities and net assets	<u>\$ 30,532,134</u>	<u>23,624,768</u>

**EAST MEETS WEST FOUNDATION**  
**and**  
**REACH VIETNAM (a subsidiary)**  
**Consolidated Statements of Activities**  
**For the Years Ended December 31, 2005 and 2004**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2005</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2004</u>
Support and revenue:						
Donations	\$ 120,284	1,058,660	1,178,944	36,365	742,265	778,630
Foundation grants	1,981,228	13,818,342	15,799,570	1,099,353	7,539,472	8,638,825
Special events (net of direct expenses of \$72,116 in 2005 and \$9,645 in 2004)	5,279	-	5,279	13,455	-	13,455
Other income	238,751	-	238,751	95,300	23,458	118,758
In-kind donations	155,049	-	155,049	157,423	-	157,423
Net assets released from restrictions	7,790,683	(7,790,683)	-	7,613,659	(7,613,659)	-
Total support and revenue	<u>10,291,274</u>	<u>7,086,319</u>	<u>17,377,593</u>	<u>9,015,555</u>	<u>691,536</u>	<u>9,707,091</u>
Expenses:						
Program services	9,651,990	-	9,651,990	7,897,255	-	7,897,255
Management and general	448,508	-	448,508	438,902	-	438,902
Fund raising	778,179	-	778,179	409,726	-	409,726
Total expenses	<u>10,878,677</u>	<u>-</u>	<u>10,878,677</u>	<u>8,745,883</u>	<u>-</u>	<u>8,745,883</u>
Change in net assets	(587,403)	7,086,319	6,498,916	269,672	691,536	961,208
Net assets at beginning of year	<u>1,884,255</u>	<u>21,646,444</u>	<u>23,530,699</u>	<u>1,614,583</u>	<u>20,954,908</u>	<u>22,569,491</u>
Net assets at end of year	<u>\$ 1,296,852</u>	<u>28,732,763</u>	<u>30,029,615</u>	<u>1,884,255</u>	<u>21,646,444</u>	<u>23,530,699</u>

see accompanying notes to financial statements

**EAST MEETS WEST FOUNDATION  
and  
REACH VIETNAM (a subsidiary)  
Consolidated Statements of Cash Flows  
For the Years Ended December 31, 2005 and 2004**

	<u>2005</u>	<u>2004</u>
Cash flows from operating activities:		
Change in net assets	\$ 6,498,916	961,208
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	9,945	8,747
Donated securities	(7,666)	(12,993)
Realized and unrealized gains and losses	(143,556)	(6,369)
(Increase)/decrease in:		
Micro loans receivable	1,775	2,618
Accrued interest	1,338	(2,860)
Grants receivable	(3,292,515)	(1,104,000)
Prepaid expenses	(947)	(44,008)
(Increase)/decrease in:		
Accounts payable and accrued expense	393,071	14,825
Accrued payroll and other benefits	(1,621)	17,678
Deferred revenue	17,000	19,500
Net cash provided/(used) by operating activities	<u>3,475,740</u>	<u>(145,654)</u>
Cash flows from investing activities:		
Purchases of securities	(17,313,132)	(5,014,042)
Proceeds from sales of securities	14,289,772	981
Purchase of fixed assets	(10,178)	-
Net cash by investing activities	<u>(3,033,538)</u>	<u>(5,013,061)</u>
Net increase/(decrease) in cash	442,202	(5,158,715)
Cash and cash equivalents at beginning of year	<u>2,292,280</u>	<u>7,450,995</u>
Cash and cash equivalents at end of year	<u>\$ 2,734,482</u>	<u>2,292,280</u>
Supplemental disclosure of cash flow information:		
In-kind donations	\$ <u>155,049</u>	<u>157,423</u>
Donated securities	\$ <u>7,666</u>	<u>12,993</u>

see accompanying notes to financial statements

**EAST MEETS WEST FOUNDATION**  
**and**  
**REACH VIETNAM (a subsidiary)**  
**Consolidated Statements of Functional Expenses**  
**For the Years Ended December 31, 2005 and 2004**

	<u>Program</u> <u>Services</u>	<u>Management</u> <u>and General</u>	<u>Fund</u> <u>Raising</u>	<u>2005</u>	<u>Program</u> <u>Services</u>	<u>Management</u> <u>and General</u>	<u>Fund</u> <u>Raising</u>	<u>2004</u>
Expenses:								
Total personnel costs	774,809	260,277	234,613	1,269,699	577,664	222,367	150,465	950,496
Construction and program expenses	7,900,766	-	-	7,900,766	6,490,937	-	-	6,490,937
Equipment rental and maintenance	8,897	1,182	1,922	12,001	8,627	1,587	1,189	11,403
Grants to others	114,164	-	-	114,164	122,611	-	-	122,611
Insurance	6,281	6,458	1,364	14,103	6,182	6,674	699	13,555
Miscellaneous	22,034	4,776	85,418	112,228	9,655	7,749	11,661	29,065
Occupancy	45,820	17,067	28,925	91,812	30,153	18,980	13,607	62,740
Office expense	77,966	10,142	22,126	110,234	68,301	11,169	18,154	97,624
Postage	16,411	5,930	62,599	84,940	7,334	961	29,580	37,875
Printing and copying	15,056	9,200	89,654	113,910	21,352	10,698	62,447	94,497
Professional fees	414,900	79,817	219,675	714,392	422,897	139,849	97,848	660,594
Scholarship and sponsorship	112,143	-	-	112,143	36,988	-	-	36,988
Telephone and internet	19,637	4,385	5,829	29,851	20,264	3,510	1,827	25,601
Travel and meetings	123,106	49,274	26,054	198,434	74,290	15,358	22,249	111,897
Total	\$ <u>9,651,990</u>	<u>448,508</u>	<u>778,179</u>	<u>10,878,677</u>	<u>7,897,255</u>	<u>438,902</u>	<u>409,726</u>	<u>8,745,883</u>

see accompanying notes to financial statements

**EAST MEETS WEST FOUNDATION**

**AND**

**REACH VIETNAM (a subsidiary)**

**Notes to Consolidated Financial Statements (continued)**

**December 31, 2005 and 2004**

**1. Nature of Activities and Summary of Significant Accounting Policies**

(a) Organization and Nature of Activities

East Meets West Foundation (Foundation) is a charitable, non-profit organization, with a successful working history in Central Vietnam. It was founded in 1988 to partner with the people of Vietnam to improve their health, education, and economic conditions in an effort to eradicate poverty and help them achieve self-sufficiency.

Description of Program and Supporting Services:

Program expenses

- i) Community Development includes early childhood care and education, primary schools, homes for poor families, bridges, safe drinking water, irrigation and electrical systems.
- ii) Health and Well-Being includes the dental clinic and mobile dental program, surgeries for children with heart and limb defects, health programs and medical clinics.
- iii) Disadvantaged Families includes family and child sponsorship programs, Village of Hope, Tien Phuoc Home for Disadvantaged Children, SPELL and other direct assistance.
- iv) Large Construction includes medical facilities, libraries and academic buildings.

General and administrative

General and 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 East Meets West Foundation and Reach Vietnam.

Fundraising

Fundraising expenses are costs of all activities that constitute an appeal for financial support, that is, costs incurred to induce others to contribute money, securities, time, materials, or facilities to the East Meets West Foundation and Reach Vietnam.

**EAST MEETS WEST FOUNDATION**

**AND**

**REACH VIETNAM (a subsidiary)**

**Notes to Consolidated Financial Statements (continued)**

**1. Nature of Activities and Summary of Significant Accounting Policies - continued**

(b) Principles of Consolidation

The consolidated financial statements include the accounts of Reach Vietnam, an organization controlled by East Meets West Foundation. All material inter-company accounts and transactions have been eliminated.

(c) Basis of Presentation

The financial statements are presented on the basis of unrestricted, temporarily restricted and permanently restricted net assets pursuant to Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*.

(d) Basis of Accounting

The financial statements are prepared using the accrual basis of accounting.

(e) Temporarily Restricted Net Assets

Temporarily restricted net assets represent contributions whose use by the Foundation is limited by donor-imposed stipulations that can be fulfilled and removed by action of the Foundation pursuant to those stipulations or by the passage of time.

(f) Interest in Reach Vietnam

East Meets West Foundation and Reach Vietnam are considered interrelated organizations in that East Meets West Foundation has the ability to influence the operating and financial decisions of Reach Vietnam. East Meets West Foundation follows Financial Accounting Statement No. 136 (FAS 136) *Transfers of Assets to a Non-for-Profit Organization or Charitable Trust That Raises or Holds Contributions for Others*. FAS 136 requires, among other matters, that the Foundation recognize in its financial statements, its interest in the net assets of Reach Vietnam.

(g) Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, all unrestricted highly liquid investments with an initial maturity of three months or less are considered to be cash equivalents.

**EAST MEETS WEST FOUNDATION**

**AND**

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**Notes to Consolidated Financial Statements (continued)**

**1. Nature of Activities and Summary of Significant Accounting Policies – continued**

(h) Fixed Assets

Fixed assets with an estimated useful life in excess of one year are capitalized at cost; donated assets are capitalized at the fair market value at date of receipt. Depreciation is computed using the straight-line method with estimated useful lives of 3 years. East Meets West Foundation and Reach Vietnam capitalize fixed assets purchases of amounts in excess of \$2,500.

(i) Functional Allocation of Expenses

Expenses are charged to programs and supporting services on the basis of periodic time and expense studies as well as estimates made by the organization's management. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of East Meets West Foundation.

(j) Donated Services

Donated services are recognized when received if such services (a) create or enhance non-financial assets, (b) require specialized skills, and (c) are provided by individuals possessing those skills, and would typically need to be purchased if not donated. East Meets West Foundation received pro-bono dental services and supplies from volunteer dentists who support the dental program held in Vietnam and donated goods and services for 2004 and 2005 Tet events. The established fair value of dental services received was based upon the number of hours contributed at appropriate billing rates, and has been recorded as an in-kind contribution and expense. The estimated donated goods and services received in 2005 and 2004 amounted to \$155,049 and \$157,423 respectively.

(k) Contributions

East Meets West Foundation and Reach Vietnam have adopted SFAS No. 116, *Accounting for Contributions Received and Contributions Made*. Contributions received are recorded as unrestricted or temporarily restricted support depending on the existence or nature of any donor restrictions.

## **EAST MEETS WEST FOUNDATION**

**AND**

**REACH VIETNAM (a subsidiary)**

### **Notes to Consolidated Financial Statements (continued)**

#### **1. Nature of Activities and Summary of Significant Accounting Policies – continued**

(l) Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(m) Investments

East Meets West Foundation and Reach Vietnam carry investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities and represent the change in the fair value of investments from one year to another.

(n) Foreign Currency Translation

Receipts and disbursements in foreign currencies are converted into U.S. dollars at the exchange rates approximating those at the dates of transactions. The cash balances denoted in foreign currencies are translated into U.S. currency at the exchange rate approximating the rate at the closing date.

#### **2. Concentration of Credit Risk**

East Meets West Foundation and Reach Vietnam maintain their cash balances at Wells Fargo Bank and Merrill Lynch in United States and VID Public Bank in Vietnam. Cash held by VID Public Bank in Vietnam is fully secured by the Vietnam State Bank. The Federal Deposit Insurance Corporation insures account balances at the US Banks up to \$100,000. Cash balances in excess of the federally insured limits as of December 31, 2005 and 2004 amounted to \$2,799,588 and \$2,096,746, which included the amount of \$1,106,212 and \$981,605 held by banks in Vietnam.

East Meets West Foundation and Reach Vietnam received \$15,644,545 or 90% and \$8,405,000 or 87% of its combined revenue from the Atlantic Philanthropies Foundation for the years ended December 31, 2005 and 2004, respectively. Accounts receivable from Atlantic Philanthropies amounted to \$20,165,000 and \$16,175,000 at December 31, 2005 and 2004 respectively. A reduction in funding from Atlantic Philanthropies would have a significant impact on the combined operations of East Meets West Foundation and Reach Vietnam.

**EAST MEETS WEST FOUNDATION**

**AND**

**REACH VIETNAM (a subsidiary)**

**Notes to Consolidated Financial Statements (continued)**

**3. Income Taxes**

East Meets West Foundation and Reach Vietnam both are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and from California Franchise Tax under California Revenue and Taxation Code Section 23701(d). Accordingly, no provision has been made for such taxes in the accompanying financial statements.

**4. Related Party Transactions**

East Meets West Foundation and Reach Vietnam share rent, payroll costs and other overhead expenses. The basis for allocation of these indirect expenses is the salary of employees, which relates to the time spent on programs of the respective organizations.

**5. Property and Equipment**

Property and equipment at December 31, 2005 and 2004 consisted of the following:

	2005	2004
Furniture and Equipment	\$ 43,495	33,317
Less: accumulated depreciation	(30,748)	(20,803)
Total property and equipment-net	\$ 12,747	12,514

Depreciation expense amounted to \$9,945 and \$8,747 in 2005 and 2004.

**6. Investments**

Investments are stated at fair value and consisted primarily of government and agency securities as of December 31, 2005 and 2004, as follows:

	.....2005.....		.....2004.....	
	Cost	Fair Value	Cost	Fair Value
Money market	\$ 26,721	26,721	36,617	36,617
CDs	348,002	347,701	550,002	548,513
Government and agency securities	7,625,990	7,685,199	4,277,423	4,287,677
Corporate bonds	150,000	147,384	150,000	147,662
Common Stock	-	-	11,964	11,954
	\$ 8,150,713	8,207,005	5,026,006	5,032,423

Net realized gains amounted to \$93,701 in 2005. There were no realized gains and losses in 2004. Net unrealized gains for the years ended December 31, 2005 and 2004 amounted to \$49,865 and \$6,417.

**EAST MEETS WEST FOUNDATION**

**AND**

**REACH VIETNAM (a subsidiary)**

**Notes to Consolidated Financial Statements (continued)**

**7. Temporarily Restricted Net Assets**

Support that is restricted by a grantor agency or a donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized.

All other donor-restricted support is reported as an increase in temporarily restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Temporarily restricted net assets at December 31, 2005 and 2004 are available for the following purposes:

	<u>2005</u>	<u>2004</u>
Community Development (Reach Vietnam)	\$ 92,470	2,161
Community Development (East Meets West Foundation)	44,568	5,506
Construction Projects (Reach Vietnam)	28,159,775	21,332,468
Disadvantaged Families (East Meets West Foundation)	242,276	118,860
Health Programs (Reach Vietnam)	7,824	44,449
New Initiatives (East Meets West Foundation)	185,850	143,000
Total	<u>\$ 28,732,763</u>	<u>21,646,444</u>

Temporarily restricted net assets released from restrictions by incurring expenses were as follows:

	<u>2005</u>	<u>2004</u>
Community Development (Reach Vietnam)	\$ 124,151	80,962
Community Development (East Meets West Foundation)	181,572	299,544
Construction Projects (Reach Vietnam)	6,710,732	5,054,322
Disadvantaged Families (East Meets West Foundation)	349,189	292,273
Health Programs (Reach Vietnam)	38,787	37,063
Health Programs (East Meets West Foundation)	355,278	75,415
Public Education (East Meets West Foundation)	30,974	39,080
R & D (East Meets West Foundation)	-	25,000
Time Restriction-Granted for 2004 (Reach Vietnam)	-	1,710,000
Total	<u>\$ 7,790,683</u>	<u>7,613,659</u>

**EAST MEETS WEST FOUNDATION**

**AND**

**REACH VIETNAM (a subsidiary)**

**Notes to Consolidated Financial Statements (continued)**

**8. Lease Commitments**

East Meets West Foundation leases office space in Oakland, California under an operating lease that expires in July 2010. The Foundation also leases two office spaces in Vietnam under various operating leases. These leases are either on a month-to-month basis or the term is less than a year. Presented below is a schedule of minimum future lease obligations as of December 31, 2005.

Year ending December 31,		Total
2006	\$	<u>71,294</u>
2007		73,307
2008		75,488
2009		77,903
2010		<u>46,265</u>
Total	\$	<u><u>344,257</u></u>

Rent expense amounted to \$82,796 in 2005 and \$62,740 in 2004.

**9. Pension Plan**

East Meets West Foundation has a defined contribution pension plan for all eligible employees who have completed 1 month of service. Pension expense in 2005 and 2004 amounted to \$15,947 and \$12,420 respectively.

**10. Deferred Revenue**

Deferred revenue represents advance amounts received from ticket sales for the Foundation's Tet Event held in the following year.

**11. Grants Receivable**

Grants receivable at December 31, 2005 and 2004 are as follows:

	2005	2004
Receivable in less than one year	\$ <u>8,025,698</u>	<u>14,435,000</u>
Receivable in one to five years	<u>12,200,000</u>	<u>1,740,000</u>
Total grants receivable	20,225,698	16,175,000
Less discount to net present value	<u>(758,183)</u>	<u>-</u>
Net grants receivable	\$ <u><u>19,467,515</u></u>	<u><u>16,175,000</u></u>

The grants receivable have been discounted using an interest rate of 4.5%.

**EAST MEETS WEST FOUNDATION  
and  
REACH VIETNAM (a subsidiary)  
Consolidating Statements of Net Assets  
December 31, 2005 and 2004**

**ASSETS**

	East				East			
	<u>West Foundation</u>	<u>Reach Vietnam</u>	<u>Eliminations</u>	<u>2005</u>	<u>West Foundation</u>	<u>Reach Vietnam</u>	<u>Eliminations</u>	<u>2004</u>
Assets:								
Cash including interest bearing accounts	\$ 605,860	2,128,622	-	2,734,482	311,724	1,980,556	-	2,292,280
Accrued interest receivable	-	1,522	-	1,522	-	2,860	-	2,860
Due from East Meets West Foundation	-	174,727	(174,727)	-	-	238,075	(238,075)	-
Prepaid expenses	53,796	19,867	-	73,663	50,503	22,213	-	72,716
Micro loans receivable	35,200	-	-	35,200	36,975	-	-	36,975
Grants receivable	60,698	19,406,817	-	19,467,515	-	16,175,000	-	16,175,000
Investments at fair value	-	8,207,005	-	8,207,005	12,935	5,019,488	-	5,032,423
Property and equipment - net	12,747	-	-	12,747	12,514	-	-	12,514
Total assets	<u>\$ 768,301</u>	<u>29,938,560</u>	<u>(174,727)</u>	<u>30,532,134</u>	<u>424,651</u>	<u>23,438,192</u>	<u>(238,075)</u>	<u>23,624,768</u>

**LIABILITIES AND NET ASSETS**

Liabilities:								
Accounts payable and accrued expense	\$ 41,114	392,733	-	433,847	40,118	658	-	40,776
Due to Reach Vietnam	174,727	-	(174,727)	-	238,075	-	(238,075)	-
Accrued payroll and other benefits	28,374	3,798	-	32,172	29,600	4,193	-	33,793
Deferred revenue	36,500	-	-	36,500	19,500	-	-	19,500
Total liabilities	<u>280,715</u>	<u>396,531</u>	<u>(174,727)</u>	<u>502,519</u>	<u>327,293</u>	<u>4,851</u>	<u>(238,075)</u>	<u>94,069</u>
Net assets:								
Unrestricted	14,892	1,281,960	-	1,296,852	(170,008)	2,054,263	-	1,884,255
Temporarily restricted	472,694	28,260,069	-	28,732,763	267,366	21,379,078	-	21,646,444
Total net assets	<u>487,586</u>	<u>29,542,029</u>	<u>-</u>	<u>30,029,615</u>	<u>97,358</u>	<u>23,433,341</u>	<u>-</u>	<u>23,530,699</u>
Total liabilities and net assets	<u>\$ 768,301</u>	<u>29,938,560</u>	<u>(174,727)</u>	<u>30,532,134</u>	<u>424,651</u>	<u>23,438,192</u>	<u>(238,075)</u>	<u>23,624,768</u>

see accompanying notes to financial statements

**EAST MEETS WEST FOUNDATION  
and  
REACH VIETNAM (a subsidiary)  
Consolidating Statements of Activities  
For the Years Ended December 31, 2005 and 2004**

	<b>East Meets</b>				<b>East Meets</b>			
	<b><u>West Foundation</u></b>	<b><u>Reach Vietnam</u></b>	<b><u>Eliminations</u></b>	<b><u>2005</u></b>	<b><u>West Foundation</u></b>	<b><u>Reach Vietnam</u></b>	<b><u>Eliminations</u></b>	<b><u>2004</u></b>
Support and revenue:								
Donations	\$ 1,178,944	63,943	(63,943)	1,178,944	791,951	65,634	(78,955)	778,630
Foundation grants	1,507,754	15,644,544	(1,352,728)	15,799,570	893,825	8,405,000	(660,000)	8,638,825
Special events (net of expenses of \$72,116 in 2005 and \$9,645 in 2004)	5,279	-	-	5,279	13,455	-	-	13,455
Other income	5,281	233,470	-	238,751	34,277	84,481	-	118,758
In-kind donations	148,559	6,490	-	155,049	157,423	-	-	157,423
Total support and revenue	<u>2,845,817</u>	<u>15,948,447</u>	<u>(1,416,671)</u>	<u>17,377,593</u>	<u>1,890,931</u>	<u>8,555,115</u>	<u>(738,955)</u>	<u>9,707,091</u>
Expenses:								
Total personnel costs	580,920	688,779	-	1,269,699	416,304	534,192	-	950,496
Construction expense	635,489	7,265,277	-	7,900,766	600,277	5,890,660	-	6,490,937
Equipment rental and maintenance	2,824	9,177	-	12,001	2,871	8,532	-	11,403
Grants to others	326,089	1,204,746	(1,416,671)	114,164	173,591	687,975	(738,955)	122,611
Insurance	5,469	8,634	-	14,103	4,412	9,143	-	13,555
Miscellaneous	74,825	37,403	-	112,228	17,770	11,295	-	29,065
Occupancy	53,071	38,741	-	91,812	33,902	28,838	-	62,740
Office expense	79,178	31,056	-	110,234	60,418	37,206	-	97,624
Postage	61,173	23,767	-	84,940	31,857	6,018	-	37,875
Printing and copying	70,622	43,288	-	113,910	76,074	18,423	-	94,497
Professional fees	311,763	402,629	-	714,392	371,160	289,434	-	660,594
Scholarship and sponsorship	112,143	-	-	112,143	36,988	-	-	36,988
Telephone and internet	15,667	14,184	-	29,851	9,042	16,559	-	25,601
Travel and entertainment	126,356	72,078	-	198,434	73,032	38,865	-	111,897
	<u>2,455,589</u>	<u>9,839,759</u>	<u>(1,416,671)</u>	<u>10,878,677</u>	<u>1,907,698</u>	<u>7,577,140</u>	<u>(738,955)</u>	<u>8,745,883</u>
Change in net assets	390,228	6,108,688	-	6,498,916	(16,767)	977,975	-	961,208
Net assets at beginning of year	97,358	23,433,341	-	23,530,699	114,125	22,455,366	-	22,569,491
Net assets at end of year	<u>\$ 487,586</u>	<u>29,542,029</u>	<u>-</u>	<u>30,029,615</u>	<u>97,358</u>	<u>23,433,341</u>	<u>-</u>	<u>23,530,699</u>

see accompanying notes to financial statements