

WORLD SUBUD ASSOCIATION

**FINANCIAL STATEMENTS
FOR THE YEAR 2018**

WORLD SUBUD ASSOCIATION

Financial Statements for the year 2018

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WORLD SUBUD ASSOCIATION

Financial Statements for the year 2018

DIRECTORS

Directors during the year were:

WSA Chair	Elias Coragem Dumit Nahum Harlap	to Aug 2018 from Aug 2018
Zonal Representatives: Zones 1 & 2	Suryadi Haryono	to Aug 2018
Zone 3	Muchtar Rawlings	from Aug 2018
Zone 4	Howard Ray	to Aug 2018
Zone 5	Hannah de Roo	from Aug 2018
Zone 6	Farah Czwiernia	to Aug 2018
Zone 7	Salama Gielge	from Aug 2018
Zone 8	Hakeem Naibi	to Aug 2018
Zone 9	Lutfiya Murray	from Aug 2018
	Rida Odon-Francois Liobo Lote	to Aug 2018
	Mendes Lemba Mente	from Aug 2018
	Fernando Fatah Nieva	to Aug 2018
	Uraidah Hassani	from Aug 2018
	Paloma Munoz	to Aug 2018
	Helen Munoz	from Aug 2018
	Uraidah Arratia	to Aug 2018
	Sofia Mazzini	from Aug 2018

OFFICERS

WSA Deputy Chair	Lucia Boehm Rosario Moir	to Aug 2018 from Aug 2018
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EXECUTIVE COMMITTEE

Executive committee officers during the year were:

Chief Executive Officer	Ismanah Schulze-Vorberg	to Aug 2018
Executive Vice-Chair	Suyono Sumohadiwidjojo	from Aug 2018
Treasurer	Anwar Ziesel	to Aug 2018
	Hilaria Dette	from Aug 2018
	Hannah Baerveldt	to Aug 2018
Administrator and Secretary	Salamah Dick Le Claire	from Aug 2018
Accountant	Elwyn Waugh	

REGISTERED OFFICE

631 D Street NW
Washington D.C. 20004
USA

INDEPENDENT AUDITOR'S REPORT TO THE MANAGEMENT BOARD OF WORLD SUBUD ASSOCIATION

Opinion

We have audited the financial statements of World Subud Association for the year ended 31 December 2018 which comprise the Statement of Financial Position as at 31 December 2018, Statements of Activity for that year ended, Statement of Cash Flows for that year ended and the related notes and accounting policies.

In our opinion, the financial statements of The World Subud Association for the year ended 31 December 2018 are prepared, in all material aspects, in accordance with Generally Accepted Accounting Principals as adopted by the International Accounting Standards Board (IASB).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

The financial statements are prepared in accordance with the Bylaws, adopting generally accepted accounting principles for non-profit organisations. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of management

The management are responsible for the preparation of the financial statements, in accordance with Generally Accepted Accounting Principals as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management are responsible for assessing the foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intend to liquidate the foundation or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the foundation's financial reporting process.


**INDEPENDENT AUDITOR'S REPORT TO THE MANAGEMENT BOARD OF
WORLD SUBUD ASSOCIATION**

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Our audit work has been undertaken so that we might state to the management board those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the management board as a body, for our audit work,



Stuart Carrington FCA

21-6-19

For and on behalf of
Thomas Westcott
Chartered Accountants and Statutory Auditor
Timberly
South Street
Axminster, Devon
EX13 5AD
United Kingdom

WORLD SUBUD ASSOCIATION

**Statement of Financial Position
as of December 31, 2018 and 2017**
(in US dollars)

	2018	2017
ASSETS		
Banks/Cash	\$ 462,492	\$ 320,002
Accounts receivables and prepayments	\$ 4,084	\$ 26,836
Total Assets	<u>\$ 466,576</u>	<u>\$ 346,838</u>
 LIABILITIES & NET ASSETS		
Liabilities		
Expense vouchers and income received in advance	\$ 55,832	\$ 55,514
Total liabilities	<u>\$ 55,832</u>	<u>\$ 55,514</u>
Net Assets		
Unrestricted/Undesignated	\$ 170,543	\$ 120,423
Board designated - World Congress Fund	\$ 155,582	\$ 103,628
Subud Emergency Fund	\$ 15,672	\$ 15,672
Temporarily Donor Restricted	\$ 68,947	\$ 51,601
Total Net Assets	<u>\$ 410,744</u>	<u>\$ 291,324</u>
Total Liabilities and Net Assets	<u>\$ 466,576</u>	<u>\$ 346,838</u>

Signed on behalf of
the Board of Directors



Nahum Harlap
WSA Chair

These Financial Statements were approved by the Board of Directors on June 19th, 2019

WORLD SUBUD ASSOCIATION

Statement of Activity for the year 2018
(in US dollars)

	Unrestricted	Designated	Restricted	Total
Income				
Member contributions	\$ 161,252	\$ -	\$ 2,897	\$ 164,149
Enterprise donations	\$ 2,330	\$ -	\$ -	\$ 2,330
Grants received	\$ 29,251	\$ -	\$ 132,161	\$ 161,412
Individual donations	\$ 44,277	\$ -	\$ 82,842	\$ 127,119
Other income	\$ 11,007	\$ -	\$ -	\$ 11,007
World Congress	\$ 787,187	\$ 51,954	\$ -	\$ 839,141
Total income	\$ 1,035,304	\$ 51,954	\$ 217,900	\$ 1,305,158
Net Assets released from restrictions	\$ 200,554	\$ -	\$ (200,554)	\$ -
Total	\$ 1,235,858	\$ 51,954	\$ 17,346	\$ 1,305,158
Expenses				
Programs				
Kejiwaan	\$ 89,845	\$ -	\$ -	\$ 89,845
Media Unit	\$ 97,927	\$ -	\$ -	\$ 97,927
Human Activity programs	\$ 132,874	\$ -	\$ -	\$ 132,874
Total program expenses	\$ 320,646	\$ -	\$ -	\$ 320,646
Supporting Services				
WSA Chair, Zone Reps, WSC	\$ 14,937	\$ -	\$ -	\$ 14,937
WSA Executive	\$ 69,956	\$ -	\$ -	\$ 69,956
Audit	\$ 4,500	\$ -	\$ -	\$ 4,500
World Congress	\$ 772,645	\$ -	\$ -	\$ 772,645
Total Supporting Services	\$ 862,038	\$ -	\$ -	\$ 862,038
Total Functional Expenses	\$ 1,182,684	\$ -	\$ -	\$ 1,182,684
Currency loss	\$ 3,054	\$ -	\$ -	\$ 3,054
Total Expenses	\$ 1,185,738	\$ -	\$ -	\$ 1,185,738
Change in Net Assets	\$ 50,120	\$ 51,954	\$ 17,346	\$ 119,420
Net Assets beginning of period	\$ 120,423	\$ 103,628	\$ 67,273	\$ 291,324
Net Assets end of period	\$ 170,543	\$ 155,582	\$ 84,619	\$ 410,744

WORLD SUBUD ASSOCIATION

Statement of Activity for the year 2017
(in US dollars)

	Unrestricted	Designated	Restricted	Total
Income				
Member contributions	\$ 187,383	\$ -	\$ 4,680	\$ 192,063
Enterprise donations	\$ 21,649	\$ -	\$ -	\$ 21,649
Grants received	\$ -	\$ -	\$ 116,253	\$ 116,253
Individual donations	\$ 54,954	\$ -	\$ 17,811	\$ 72,765
Other income	\$ 4	\$ -	\$ -	\$ 4
Total income	\$ 263,990	\$ -	\$ 138,744	\$ 402,734
Net Assets released from restrictions	\$ 118,521	\$ -	\$ (118,521)	\$ -
Total	\$ 382,511	\$ -	\$ 20,223	\$ 402,734
Expenses				
Programs				
Kejiwaan	\$ 125,826	\$ -	\$ -	\$ 125,826
Media Unit	\$ 95,639	\$ -	\$ -	\$ 95,639
Human Activity programs	\$ 58,912	\$ -	\$ -	\$ 58,912
Total program expenses	\$ 280,377	\$ -	\$ -	\$ 280,377
Supporting Services				
WSA Chair, Zone Reps, WSC	\$ 54,202	\$ -	\$ -	\$ 54,202
WSA Executive	\$ 92,716	\$ -	\$ -	\$ 92,716
Audit	\$ 4,588	\$ -	\$ -	\$ 4,588
World Congress	\$ -	\$ 47,908	\$ -	\$ 47,908
Total Supporting Services	\$ 151,506	\$ 47,908	\$ -	\$ 199,414
Total Functional Expenses	\$ 431,883	\$ 47,908	\$ -	\$ 479,791
Currency gain	\$ (2,669)	\$ -	\$ -	\$ (2,669)
Total Expenses	\$ 429,214	\$ 47,908	\$ -	\$ 477,122
Change in Net Assets	\$ (46,703)	\$ (47,908)	\$ 20,223	\$ (74,388)
Net Assets beginning of period	\$ 167,126	\$ 151,536	\$ 47,050	\$ 365,712
Net Assets end of period	\$ 120,423	\$ 103,628	\$ 67,273	\$ 291,324

WORLD SUBUD ASSOCIATION

Statement of Cash Flows for the year 2018
(in US dollars)

	2018	2017
Cash flows from operating activities		
(Decrease)/Increase in Total Net Assets	\$ 119,420	\$ (74,388)
Adjustments to reconcile net surplus (deficit) to net cash provided by operating activities		
(Increase)/Decrease in accounts receivable and prepayments	\$ 22,752	\$ 100,948
Increase/(Decrease) accounts payable	\$ 318	\$ 8,180
Net cash used in operating activities	<u>\$ 142,490</u>	<u>\$ 34,740</u>
Cash at beginning of period	\$ 320,002	\$ 285,262
Cash at end of period	\$ 462,492	\$ 320,002
Net cash (Decrease)/Increase for the period	<u>\$ 142,490</u>	<u>\$ 34,740</u>

WORLD SUBUD ASSOCIATION

Statement of Functional Expenses for the year 2018
(in US dollars)

Expenses	General	Travel / lodging	Fees	Office	Pensions	Total
Kejiwaan program						
Area 1		\$ 27,907				\$ 27,907
Area 2		\$ 22,652				\$ 22,652
Area 3		\$ 26,766				\$ 26,766
Ibu Rahayu's Office				\$ 12,520		\$ 12,520
						\$ 89,845
Media Unit program						
WSA Archives	\$ 29,940		\$ 30,361			\$ 60,301
Bapak's Talks Translation project	\$ 20,000					\$ 20,000
Translations	\$ 7,807					\$ 7,807
History of Subud project	\$ -					\$ -
S Brugger book	\$ 819					\$ 819
Bapak's Guidance for Helpers	\$ 9,000					\$ 9,000
						\$ 97,927
Human Activity programs						
Care Support Program	\$ 10,011					\$ 10,011
Delegates to World Congress	\$ 14,580					\$ 14,580
World Congress Fund	\$ 5,852					\$ 5,852
World Congress Assistance Fund	\$ 39,713					\$ 39,713
World Congress Carpet Fund	\$ 3,500					\$ 3,500
Yes Quest	\$ 5,237					\$ 5,237
Enterprises	\$ 386					\$ 386
Culture	\$ -	\$ 1,438				\$ 1,438
Youth	\$ 544	\$ 46,227				\$ 46,771
Health	\$ -	\$ 1,761				\$ 1,761
Support for Zones	\$ 1,182					\$ 1,182
Communications	\$ 2,443					\$ 2,443
						\$ 132,874
Supporting services						
WSA Chair, Zone-Reps, WSC	\$ -	\$ 14,937				\$ 14,937
WSA Executive	\$ 2,227	\$ 5,429	\$ 55,480	\$ 486	\$ 6,334	\$ 69,956
Audit	\$ 4,500					\$ 4,500
World Congress	\$ 772,645					\$ 772,645
Totals	\$ 930,386	\$ 147,117	\$ 85,841	\$ 13,006	\$ 6,334	\$ 1,182,684

WORLD SUBUD ASSOCIATION

Statement of Functional Expenses for the year 2017
(in US dollars)

Expenses	General	Travel / lodging	Fees	Office	Pensions	Total
Kejiwaan program						
Area 1		\$ 35,425				\$ 35,425
Area 2		\$ 35,468				\$ 35,468
Area 3		\$ 39,283				\$ 39,283
Ibu Rahayu's Office				\$ 15,650		\$ 15,650
						\$ 125,826
Media Unit program						
WSA Archives	\$ 30,907		\$ 33,963			\$ 64,870
Bapak's Talks Translation project	\$ 22,000					\$ 22,000
Subtitling Bapak, Ibu Talks	\$ -					\$ -
Translations	\$ 6,731					\$ 6,731
History of Subud project	\$ 2,038					\$ 2,038
						\$ 95,639
Human Activity programs						
Care Support Program	\$ 14,778					\$ 14,778
Social Welfare	\$ -	\$ 4,595				\$ 4,595
Human Force	\$ -					\$ -
Yes Quest	\$ 2,044					\$ 2,044
Subud Houses	\$ -					\$ -
Enterprises	\$ -	\$ 511				\$ 511
Culture	\$ -	\$ 987				\$ 987
Youth	\$ 1,200	\$ 12,238				\$ 13,438
Health	\$ -	\$ 2,882				\$ 2,882
Support for Zones	\$ 13,870					\$ 13,870
Communications	\$ 5,807					\$ 5,807
						\$ 58,912
Supporting services						
WSA Chair, Zone-Reps, WSC	\$ -	\$ 54,202				\$ 54,202
WSA Executive	\$ 3,843	\$ 10,272	\$ 67,980	\$ 782	\$ 9,839	\$ 92,716
Audit	\$ 4,588					\$ 4,588
Totals	\$ 107,806	\$ 195,863	\$ 101,943	\$ 16,432	\$ 9,839	\$ 431,883

WORLD SUBUD ASSOCIATION

Statement of Income for the year 2018
(in US dollars)

Income	Unrestricted	Designated World Congress	Temporarily Restricted					Total Income	
			Kejiwaan	Media Unit	Human Activity	Services	Endowment		Total
Member countries contributions									
Zone 1-2	\$ 24,067								\$ 24,067
Zone 3	\$ 66,082				\$ 817			\$ 817	\$ 66,899
Zone 4	\$ 13,245								\$ 13,245
Zone 5	\$ 694								\$ 694
Zone 6	\$ 100								\$ 100
Zone 7	\$ 51,512				\$ 2,080			\$ 2,080	\$ 53,592
Zone 8	\$ 3,584								\$ 3,584
Zone 9	\$ 1,968								\$ 1,968
	\$ 161,252	\$ -	\$ -	\$ -	\$ 2,897	\$ -	\$ -	\$ 2,897	\$ 164,149
Enterprise donations									
Zone 1-2	\$ 2,000								\$ 2,000
Zone 7	\$ 330								\$ 330
	\$ 2,330	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,330
Grants									
Muhammad Subuh Foundation			\$ 62,000	\$ 34,028	\$ 22,640			\$ 118,668	\$ 118,668
Guerrand Hermes Foundation	\$ 29,251		\$ 3,503		\$ 9,990			\$ 13,493	\$ 42,744
	\$ 29,251		\$ 65,503	\$ 34,028	\$ 32,630	\$ -	\$ -	\$ 132,161	\$ 161,412
Individual member donations	\$ 44,277		\$ 2,878	\$ 100	\$ 52,140	\$ 676	\$ 27,048	\$ 82,842	\$ 127,119
Other income	\$ 11,007								\$ 11,007
World Congress	\$ 787,187	\$ 51,954							\$ 839,141
Totals	\$ 1,035,304	\$ 51,954	\$ 68,381	\$ 34,128	\$ 87,667	\$ 676	\$ 27,048	\$ 217,900	\$ 1,305,158

WORLD SUBUD ASSOCIATION

Statement of Income for the year 2017
(in US dollars)

Income	Unrestricted	Temporarily Restricted					Total	Total Income
		World Congress	Kejiwaan	Media Unit	Human Activity	Services		
Member countries contributions								
Zone 1-2	\$ 29,969			\$ 881			\$ 881	\$ 30,850
Zone 3	\$ 83,194						\$ -	\$ 83,194
Zone 4	\$ 24,882		\$ 1,165		\$ 1,634		\$ 2,799	\$ 27,681
Zone 5	\$ 758						\$ -	\$ 758
Zone 6	\$ 203						\$ -	\$ 203
Zone 7	\$ 47,277	\$ 1,000					\$ 1,000	\$ 48,277
Zone 8	\$ 800						\$ -	\$ 800
Zone 9	\$ 300						\$ -	\$ 300
	\$ 187,383	\$ 1,000	\$ 1,165	\$ 881	\$ 1,634	\$ -	\$ 4,680	\$ 192,063
Enterprise donations								
Zone 1-2	\$ 10,000						\$ -	\$ 10,000
Zone 3	\$ 11,649						\$ -	\$ 11,649
	\$ 21,649	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,649
Grants								
Muhammad Subuh Foundation		\$ 3,563	\$ 72,562	\$ 30,000			\$ 106,125	\$ 106,125
SDIA					\$ 3,577		\$ 3,577	\$ 3,577
Guerrand Hermes Foundation					\$ 6,551		\$ 6,551	\$ 6,551
	\$ -		\$ 72,562	\$ 30,000	\$ 10,128	\$ -	\$ 116,253	\$ 116,253
Individual member donations	\$ 54,954	\$ 7,821	\$ 9,080		\$ 910		\$ 17,811	\$ 72,765
Other income	\$ 4						\$ -	\$ 4
Totals	\$ 263,990	\$ 8,821	\$ 82,807	\$ 30,881	\$ 12,672	\$ -	\$ 138,744	\$ 402,734

WORLD SUBUD ASSOCIATION

Statement of Changes in restricted donations in the year 2018
(in US dollars)

	Balance end 2017	Received in 2018	Spent in 2018	Balance end 2018
Temporary Restriction				
International Helper Travel	\$ -	\$ 68,381	\$ 68,381	\$ -
Ibu Rahayu Travel	\$ 1,408	\$ -	\$ -	\$ 1,408
WSA Archives	\$ -	\$ 30,100	\$ 30,100	\$ -
Care Support Program	\$ 3,577	\$ 1,734	\$ 5,311	\$ -
International Youth Travel Fund	\$ 14,038	\$ 21,288	\$ 29,984	\$ 5,342
Subud Youth	\$ -	\$ 103	\$ 103	\$ -
Medical Fund	\$ 4,180	\$ -	\$ -	\$ 4,180
SIHA	\$ 17,607	\$ -	\$ -	\$ 17,607
SESI	\$ -	\$ 1,943	\$ 386	\$ 1,557
Bapak's Advice publication	\$ 3,562	\$ 4,028	\$ 7,590	\$ -
SDIA	\$ -	\$ 1,110	\$ -	\$ 1,110
Intranet	\$ 2,475	\$ -	\$ -	\$ 2,475
World Congress 2018 Fund	\$ 4,094	\$ 1,806	\$ 5,900	\$ -
World Congress carpet	\$ -	\$ 3,200	\$ 3,200	\$ -
World Congress Assistrance Fuund	\$ -	\$ 55,918	\$ 49,044	\$ 6,874
Human Force Camp	\$ 660	\$ 10	\$ -	\$ 670
Endowment	\$ -	\$ 27,048	\$ -	\$ 27,048
Brugger Book	\$ -	\$ 556	\$ 556	\$ -
IT Team	\$ -	\$ 676	\$ -	\$ 676
	<u>\$ 51,601</u>	<u>\$ 217,901</u>	<u>\$ 200,555</u>	<u>\$ 68,947</u>
Permanent Restriction				
Subud Emergency Fund	\$ 15,672	\$ -	\$ -	\$ 15,672
Totals	<u>\$ 67,273</u>	<u>\$ 217,901</u>	<u>\$ 200,555</u>	<u>\$ 84,619</u>

Statement of Changes in Board designated funds in the year 2018

	Balance end 2017	Received in 2018	Spent in 2018	Balance end 2018
World Congress Fund	\$ 103,628	\$ 51,954	\$ -	\$ 155,582

WORLD SUBUD ASSOCIATION

Statement of Changes in restricted donations in the year 2017
(in US dollars)

	Balance end 2016	Received in 2017	Spent in 2017	Balance end 2017
Temporary Restriction				
International Helper Travel	\$ -	\$ 79,245	\$ 79,245	\$ -
Ibu Rahayu Travel	\$ 1,408	\$ -	\$ -	\$ 1,408
Medical Assistance	\$ -	\$ -	\$ -	\$ -
WSA Archives	\$ -	\$ 30,881	\$ 30,881	\$ -
Care Support Program	\$ -	\$ 3,577	\$ -	\$ 3,577
International Youth Travel Fund	\$ 319	\$ 900	\$ -	\$ 1,219
Youth travel World Congress 2018	\$ 756	\$ 12,063	\$ -	\$ 12,819
Medical Fund	\$ 4,180	\$ -	\$ -	\$ 4,180
SIHA	\$ 17,807	\$ 10	\$ 210	\$ 17,607
Bapak's Advice publication	\$ -	\$ 3,562	\$ -	\$ 3,562
SDIA	\$ -	\$ 1,634	\$ 1,634	\$ -
Intranet	\$ 2,475	\$ -	\$ -	\$ 2,475
World Congress 2018 Fund	\$ 3,773	\$ 321	\$ -	\$ 4,094
Human Force Camp	\$ 660	\$ -	\$ -	\$ 660
Zonal meetings	\$ -	\$ 6,551	\$ 6,551	\$ -
	\$ 31,378	\$ 138,744	\$ 118,521	\$ 51,601
Permanent Restriction				
Subud Emergency Fund	\$ 15,672	\$ -	\$ -	\$ 15,672
Totals	\$ 47,050	\$ 138,744	\$ 118,521	\$ 67,273

Statement of Changes in Board designated funds in the year 2017

	Balance end 2016	Received in 2017	Spent in 2017	Balance end 2017
World Congress Fund	\$ 151,536	\$ -	\$ 47,908	\$ 103,628

WORLD SUBUD ASSOCIATION

Notes to the Financial Statements for 2018

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization, Purpose, Affiliation, and Tax Status

The World Subud Association, a non-profit tax-exempt corporation, was organized October 2, 1989, in the District of Columbia, United States of America. The Organization was created for the purpose of assisting the worldwide development of Subud, which stands for Susila Budhi Dharma, a training in the worship of Almighty God. The Organization solicits Subud members, national Subud organizations, and enterprises of Subud members for contributions, whether or not restricted as to manner, amount, or timing, and applies these funds in programs. In 2017 and 2016 the Organization's programs included the provision of travel and communications funds to volunteer international helpers and others who assisted members and applicants, and the provision of funds to other volunteers who worked for the various so called Bapak Legacy projects and other programs. In addition to this, the Organization made grants to affiliated organizations to further develop Subud worldwide. Since the World Congress in August 2014 the office is located in Koenigswinter, Germany.

The members of the governing council reside in Asia, Australia, Europe, Africa, and the Americas.

The World Subud Association organized the Muhammad Subuh Foundation, a Virginia non-profit tax-exempt corporation, in 1991 for the purpose of holding the long-term assets of the Organization and major gifts, bequests, and endowments of Subud Members. Although the Organization has the right to jointly approve the Foundation's operating budget, the governing bodies and operations of each organization are independent. Accordingly, the accounts of the Foundation have not been combined with those of the World Subud Association.

Income Taxes

On April 19, 1990, the Organization was granted tax-exempt status as a section 501 (c)(3) organization and was recognized as a public charity by the United States Internal Revenue Service. Accordingly, no provision has been made for United States Federal or state income taxes.

Classification of Net Assets

Net assets are assets reduced by liabilities and are reported in the financial statements in three classes: unrestricted net assets, temporarily restricted net assets, or permanently restricted net assets, based on the absence or existence of donor-imposed restrictions.

Permanently restricted net assets generally result from long-lived assets donated for a specific purpose with a donor stipulation that the assets be preserved and not sold, or from assets donated with donor stipulations that they be invested to provide a permanent source of income, e.g., endowment funds. The Organization had no permanently restricted net assets during the period covered by the financial statements.

Temporarily restricted net assets are those assets donated for (a) support of particular operating activities, (b) temporary investment for a specified term, (c) use in a specified future period, or (d) acquisition and use of long-lived assets such as buildings.

Unrestricted net assets generally result from receipt of unrestricted contributions, grants, revenues from providing services, producing and delivering goods, and receiving dividends or interest from investments in income-producing assets, less expenses incurred in providing services, producing and delivering goods, raising contributions, and performing administrative functions. The only limitations on the use of unrestricted net assets are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in the articles of incorporation or bylaws, limits from contractual agreements with suppliers and creditors, and self-imposed limits such as voluntary resolutions by the Directors to designate a portion of its unrestricted net assets for a particular use.

WORLD SUBUD ASSOCIATION

Notes to the Financial Statements for 2018

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Support, Revenue, and Pledges

Contributions are solicited from individual Subud members, businesses of Subud members, and Subud organizations worldwide and no solicitations are made to the general public. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Pledges for contributions are recorded as income when received and allowances are provided for pledges estimated to be uncollectible.

Property and Equipment

Property is recorded at cost or at the estimated fair value at the date of the gift, if donated. Minor equipment purchases such as office equipment and personal computers are expensed when acquired because management believes that the expensing of these types of acquisitions does not materially affect the financial statements. Accordingly, there were no depreciable assets as of the date of the statement of financial position. Maintenance, repairs, and renewals are expensed, and additions and improvements, when material, are capitalized. Depreciation is computed on a straight-line basis over the estimated useful life of the asset.

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 the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Association considers all cash on hand, demand cash balances, and highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents for purposes of the statement of cash flows.

Currency Valuation

All values presented in the financial statements are stated in United States dollars and assets and liabilities stated at interbank exchange rates as of the last day of the applicable years.

NOTE 2- CASH

The Association maintains current accounts in USD, CAD, EUR and GBP with the NatWest Bank in the United Kingdom, checking and savings accounts with the Wells Fargo Bank in the United States of America and a EUR account in Germany.

NOTE 3- CREDIT RISKS - FINANCIAL INSTRUMENTS

Concentration of Credit Risk Arising from Cash Deposits in Excess of Insured Limits

By the end of 2018 the Association's U.S. bank deposits were under the U.S. federal deposit insurance ceilings for U.S. banks of \$250,000 and thus deposits in the U.S. bank accounts at the end of 2018 were insured.

The amounts on deposit in the United Kingdom bank at the end of the year amounted to \$ 226,479, mainly held in USD and GBR. In view of the short term use of these funds they do not constitute a significant credit risk to the Association.

The amounts on deposit in the German bank at the end of the year amounted to \$ 58,415 held in EUR. In view of the short term use of these funds they do not constitute a significant credit risk to the Association.

WORLD SUBUD ASSOCIATION

Notes to the Financial Statements for 2018

NOTE 4- DONATED SERVICES AND FACILITIES

There is no value reflected in the accompanying financial statements for donated services where non-financial assets were not enhanced and the services were not of a nature typically purchased by the Organization. Nevertheless, a substantial number of directors, officers, and volunteers have donated significant amounts of time in attempting to raise contributions and organize the Organization's activities.

The owners of such facilities have donated the use of operating facilities worldwide. The estimated rental value of these facilities is not reflected in the accompanying financial statements since the use was intermittent and there was no objective basis available by which to measure the value of such facilities.

NOTE 5- ALLOCATION OF JOINT COSTS

In 2018 and 2017 there were no allocated joint costs that were material to the financial statements.

NOTE 6- PENSIONS

The Association is obligated to provide joint survivor pensions for certain helpers that worked in the International Secretariat for the founder of Subud, in Wisma Subud, Jakarta, Indonesia. In 2018 pension costs amounted to \$6,334 (2017: \$9,839). These pension obligations are expected to continue for the foreseeable future, with an annual 3% increase adjustment.

NOTE 7 – DESIGNATED FUNDS

In 2010 the Association designated an amount of \$ 150,000 as a "World Congress Reserve" to cover the initial costs of arranging each successive Subud World Congress. This reserve is to be replenished from the income from each World Congress so that the reserve remains intact for use by the next World Congress. After the 2014 World Congress at the end of December 2014 the Reserve balance was \$ 155,582. After the 2018 World Congress at the end of December 2018 the Reserve balance was replenished to \$ 155,582.

NOTE 8 - RELATED PARTY TRANSACTIONS

The Association received grants during the year from The Muhammad Subuh Foundation (the Foundation). The Foundation is organized to operate exclusively to carry out the aims of the Association. The appointment of trustees of the Foundation shall be made at Congress or at a World Subud Council meeting by the directors of the Association. The Chairperson of the Association shall serve ex-officio as a Trustee for the Foundation for a term co terminus with his or her term as Chairperson.

The transactions in 2018 between the Association and the Foundation were as follows:

Grants given by the Foundation to the Association
World Congress \$17,000
Youth at World Congress \$5,640
Kejiwaan \$62,000
Media Unit \$30,000
Bapak's Advice \$4,028
Total \$118,668