THE AKSHAYA PATRA FOUNDATION (USA)

Financial Statements

For the Years Ended December 31, 2024 and 2023

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Independent Auditors' Report

To the Board of Directors
The Akshaya Patra Foundation (USA)
Freemont, California

Opinion

We have audited the accompanying financial statements of The Akshaya Patra Foundation (USA) (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Akshaya Patra Foundation (USA) as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 required to be independent of The Akshaya Patra Foundation (USA) and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Akshaya Patra Foundation (USA)'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Akshaya Patra Foundation (USA)'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Akshaya Patra Foundation (USA)'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

KellyVitaleRaffol, LLC

Boston, Massachusetts
May 15, 2025

THE AKSHAYA PATRA FOUNDATION (USA)

Statements of Financial Position

As of December 31, 2024 and 2023

Assets		***2024***		***2023***
Cash and cash equivalents	$	7,509,251	$	9,091,001
Pledges receivable		156,715		156,706
Investments		10,686,664		5,701,200
Total assets	$	18,352,630	$	14,948,907
Liabilities and net assets				
Accounts payable	$	30,329	$	42,240
Grants payable		1,293,905		1,202,797
Accrued expenses		112,800		-
Total liabilities		1,437,034		1,245,037
Net assets				
Without donor restrictions		13,041,632		9,126,908
With donor restrictions		3,873,964		4,576,962
Total net assets		16,915,596		13,703,870
Total liabilities and net assets	$	18,352,630	$	14,948,907

See accompanying notes to financial statements.

THE AKSHAYA PATRA FOUNDATION (USA)

Statement of Activities

For the Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support			
Contributions	$ 10,701,190	$ 2,233,964	$ 12,935,154
Investment income, net	523,944	80,000	603,944
Grants	105,050	-	105,050
Unrealized gain (loss)	64,335	-	64,335
Net assets released from restrictions	2,249,819	(2,249,819)	-
Total revenue	13,644,338	64,145	13,708,483
Gross special events revenue	3,431,311	25,000	3,456,311
Less: costs of direct benefits to donors	(593,063)	-	(593,063)
Net assets released from restrictions	792,143	(792,143)	-
Special event, net	3,630,391	(767,143)	2,863,248
Total revenue and support	17,274,729	(702,998)	16,571,731
Expenses			
Program services	11,075,038	-	11,075,038
Fundraising	1,862,764	-	1,862,764
General and administration	422,203	-	422,203
Total expenses	13,360,005	-	13,360,005
Changes in net assets	3,914,724	(702,998)	3,211,726
Net assets, beginning of year	9,126,908	4,576,962	13,703,870
Net assets, end of year	$ 13,041,632	$ 3,873,964	$ 16,915,596

See accompanying notes to financial statements.

THE AKSHAYA PATRA FOUNDATION (USA)

Statement of Activities

For the Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support			
Contributions	$ 8,902,323	$ 2,143,600	$ 11,045,923
Interest income	467,523	-	467,523
Miscellaneous income	35,393	-	35,393
Grants	544,363	-	544,363
Unrealized gain (loss)	53,929	-	53,929
Net assets released from restrictions	1,139,951	(1,139,951)	-
Total revenue	11,143,482	1,003,649	12,147,131
Gross special events revenue	3,053,201	882,957	3,936,158
Less: costs of direct benefits to donors	(543,858)	-	(543,858)
Net assets released from restrictions	334,889	(334,889)	-
Special event, net	2,844,232	548,068	3,392,300
Total revenue and support	13,987,714	1,551,717	15,539,431
Expenses			
Program services	3,173,453	-	3,173,453
Fundraising	1,479,672	-	1,479,672
General and administration	333,148	-	333,148
Total expenses	4,986,272	-	4,986,272
Changes in net assets	9,001,442	1,551,717	10,553,159
Net assets, beginning of year	125,466	3,025,245	3,150,711
Net assets, end of year	$ 9,126,908	$ 4,576,962	$ 13,703,870

See accompanying notes to financial statements.

THE AKSHAYA PATRA FOUNDATION (USA)

Statements of Cash Flows

For the Years Ended December 31, 2024 and 2023

	2024	2023
Cash flows from operating activities		
Changes in net assets	$ 3,211,726	$ 10,553,159
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Unrealized gain (loss)	(64,335)	(53,929)
Change in:		
Accounts and pledges receivable	(9)	149,494
Prepaid expenses	-	4,235
Accounts payable	(11,911)	20,710
Grants payable	91,108	(6,897,357)
Accrued expenses	112,800	(280)
Net cash provided by operating activities	3,339,379	3,776,032
Cash flows from investing activities		
Purchases of investments	(6,844,107)	(2,599,843)
Proceeds from sale of investments	1,922,978	2,447,182
Net cash used in investing activities	(4,921,129)	(152,661)
Net change in cash and cash equivalents	(1,581,750)	3,623,371
Cash and cash equivalents, beginning of year	9,091,001	5,467,630
Cash and cash equivalents, ending of year	$ 7,509,251	$ 9,091,001

See accompanying notes to financial statements.

THE AKSHAYA PATRA FOUNDATION (USA)

Statement of Functional Expenses

For the Year Ended December 31, 2024

	Program Services	*Fundraising*	*General and Administration*	*Cost of direct benefit to donors*	*Total*
Grants to Akshaya Patra Foundation India	$ 10,459,913	$ -	$ -	$ -	$ 10,459,913
Salaries and program consultants	379,534	910,880	227,720	-	1,518,134
Health insurance	25,337	60,809	15,202	-	101,348
Payroll taxes	29,490	70,776	17,694	-	117,960
Professional fees	-	-	27,911	-	27,911
Donation processing fees	-	120,714	13,413	-	134,127
Information technology	-	6,010	6,010	-	12,020
Website	2,998	14,989	11,991	-	29,978
Filing fees	-	-	14,964	-	14,964
Marketing expenses	-	85,927	21,482	-	107,409
Occupancy	-	-	1,768	-	1,768
Telecommunication	1,593	7,965	6,372	-	15,930
Special events	155,550	466,651	-	593,063	1,215,264
Pension expense	16,950	40,679	10,170	-	67,799
Insurance	-	-	13,147	-	13,147
Office expenses	-	59,000	19,667	-	78,667
Dues and subscription	3,673	18,364	14,692	-	36,729
Total expenses by function	11,075,038	1,862,764	422,203	593,063	13,953,068
Less: expenses included with revenues on the statement of activities					
Special events	-	-	-	(593,063)	(593,063)
Total expenses	$ 11,075,038	$ 1,862,764	$ 422,203	$ -	$ 13,360,005

See accompanying notes to financial statements.

THE AKSHAYA PATRA FOUNDATION (USA)

Statement of Functional Expenses

For the Year Ended December 31, 2023

	Program Services	*Fundraising*	*General and Administration*	*Cost of direct benefit to donors*	*Total*
Grants to Akshaya Patra Foundation India	$ 2,659,390	$ -	$ -	$ -	$ 2,659,390
Salaries and program consultants	303,538	728,490	182,123	-	1,214,151
Health insurance	23,442	56,261	14,065	-	93,768
Payroll taxes	26,055	62,533	15,633	-	104,221
Professional fees	-	-	24,776	-	24,776
Donation processing fees	-	61,151	6,795	-	67,946
Information technology	-	3,965	3,965	-	7,930
Website	1,288	6,438	5,150	-	12,876
Filing fees	-	-	21,311	-	21,311
Marketing expenses	-	25,580	6,395	-	31,975
Occupancy	-	-	1,615	-	1,615
Telecommunication	1,262	6,308	5,046	-	12,616
Special events	142,645	427,934	-	543,858	1,114,436
Pension expense	13,095	31,427	7,857	-	52,379
Insurance	-	-	8,833	-	8,833
Office expenses	-	55,894	18,632	-	74,526
Dues and subscription	2,738	13,691	10,952	-	27,381
Total expenses by function	3,173,453	1,479,672	333,148	543,858	5,530,130
Less: expenses included with revenues on the statement of activities					
Special events	-	-	-	(543,858)	(543,858)
Total expenses	$ 3,173,453	$ 1,479,672	$ 333,148	$ -	$ 4,986,272

See accompanying notes to financial statements.

Note 1. Organization

The Akshaya Patra Foundation (USA) (the Organization) was incorporated in 2001 in the state of New York as a 501(c)(3) non-profit corporation to promote the mission and to raise and distribute funds to help grow The Akshaya Patra Foundation (TAPF) based in Bengaluru, India. In 2024, TAPF provided hot, nutritious meals and grocery kits to more than 2.1 million children daily in over 22,000 government schools across 16 states from 74 centralized and two de-centralized kitchen locations in India. These meals serve a dual role of combatting childhood malnutrition and encouraging school attendance. In the years ended December 31, 2024 and 2023, the Organization contributed $10,459,913 and $2,659,390 to TAPF in the form of grants. Pursuant to a Board Resolution, which can be amended from time to time, a percentage of all funds raised by The Akshaya Patra Foundation (USA) are retained to cover its operating expenses and the balance is sent as grants either with or without use restrictions in accordance with donor instructions. Additionally, the Organization may receive other funds which are designated to be used exclusively for its operations.

Note 2. Summary of Significant Accounting Policies

Basis of Accounting and Financial Statement Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) established by the Financial Standards Board (FASB). These standards require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets available that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Cash and Cash Equivalents

The Organization considers as cash equivalents all highly liquid investments, which can be converted into known amounts of cash and have a maturity period of ninety days or less at the time of purchase. Excluded from this definition of cash equivalents are such amounts that represent funds that have been restricted by donors and designated by the Board.

Functional Allocation of Expenses

The Organization allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and/ or support service are allocated directly according to its natural expenditure classification.

Note 2. Summary of Significant Accounting Policies (continued)

Contributed Goods and Services

The Organization records various types of in-kind support including contributed professional services, advertising and materials. Contributed professional services are recognized if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donations. Contributions of tangible assets are recognized at fair market value when received. Additionally, the Organization receives a significant amount of skilled, contributed time, which does not meet the two recognition criteria as described above. Accordingly, the value of this contributed time has not been determined and is not reflected in the accompanying financial statements.

Property and Equipment

Equipment is recorded at cost, if purchased, or if donated, at their estimated fair market value at the date of receipt. All acquisitions of equipment in excess of $1,500 and all expenditures for repairs, maintenance, and betterments that materially prolong the useful lives of assets are capitalized. The cost of maintenance, repairs, and minor renewals are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets of three to five years. All of the Organization's property and equipment have been fully depreciated.

Income Tax Status

The Organization is exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code except on net income derived from unrelated business activities. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b) (1) (a) and has been classified as an organization that is not a private foundation under Section 509(a) (1). The Organization is also exempt from State taxes.

Use of Estimates and Assumptions

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Organization's management to make estimates and assumptions. These affect the reported amounts of assets and liabilities, and disclosures 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 and assumptions.

Note 2. Summary of Significant Accounting Policies (continued)

Revenue Recognition

Revenues are reported as an increase in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. The Organization adopted Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers* (Topic 606) using the modified retrospective method applied to all contracts not completed as of the date of the adoption. The core principle is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve that core principle, an entity should apply the following steps: (i) identify the contract(s) with a customer, (ii) identify the performance obligations in the contract. (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations in the contract and (v) recognize revenue when (or as) the entity satisfies a performance obligation.

The Organization applies Topic 606 to exchange transactions in which it receives consideration for products or services offered. Under U.S. GAAP, these arrangements are exchange transactions between the Organization and the customers participating in the Organization's programs or using their services. The Organization's revenue is derived from grants and contributions from individuals, corporations and bequests. All revenue is recorded at estimated net realizable amounts.

The Organization applies ASU 2018-08, *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 605)*, as amended. ASU 2018-08 was issued to make it easier for not-for-profit organizations to evaluate whether gifts, grants or contracts should be accounted for as contributions, or as reciprocal (exchange) transactions accounted for under ASU 2014-09. Under the new guidance, all organizations are required to evaluate whether the resource provider (i.e., federal agency, foundation, corporation, etc.) is receiving commensurate value in a transfer of resources (i.e., assets or reduction/settlement of liabilities) and whether contributions are conditional or unconditional. If commensurate value is received by the resource provider, the transaction is to be accounted for as an exchange transaction by applying ASU 2014-09. If commensurate value is not received by the resource provider (i.e., the transaction is nonexchange), the recipient organization would determine the transaction to be a contribution and determine whether the contribution is unconditional or conditional. The standard improves the usefulness and understandability of the Organization’s financial reporting.

Contributions

Contributions are recognized at the earlier of when cash is received or at the time a pledge becomes unconditional in nature. Contributions received with specific donor restrictions are recorded in the with donor restrictions class of net assets. All other contributions are recorded as without donor restrictions when the stipulations of restriction expire.

Note 2. Summary of Significant Accounting Policies (continued)

Pledges Receivable

Pledges receivable represent amounts which are due from donors which are classified as current if they are scheduled for payment within one year, and non-current when the expected payment date exceeds one year. Promises to give with expected payment dates that extend beyond one year are discounted to their present value. Management believes that all pledges receivable are collectible, and therefore, no allowance for doubtful pledges has been established. If pledges are determined to be uncollectible in subsequent periods, they will be charged to activities at that time.

Investments

Investments are recorded at fair value. Gains and losses in market value adjustments are recognized for market fluctuations.

Leases

The Organization has reviewed ASU No. 2016-02 *Leases (Topic 842)* for the year ended December 31, 2024, which requires the Organization to capitalize on any operating leases which are greater than 12-months as an asset and liability on the statement of financial position and amortize the lease over the term of the lease on a straight-line basis. Finance leases have both an interest factor and depreciation of the lease asset. Non-lease components of monthly payment are a consideration, and the standard allows a practical expedient to lessees to no account for non-lease components separately. It was determined that ASU No. 2016-02 does not apply for the year ended December 31, 2024. The Organization will continue to review on a year-to-year basis to determine if any changes occur.

Adopted Accounting Pronouncements

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments – Credit Losses* (Topic 326). The ASU introduces a new credit loss methodology, Current Expected Credit Losses (CECL), which requires earlier recognition of credit losses, while also providing additional transparency about credit risk. The CECL methodology utilizes a lifetime “expected credit loss” measurement objective for the recognition of credit losses at the time the financial asset is originated or acquired. The expected credit losses are adjusted each period for changes in expected lifetime credit losses. The CECL methodology replaces the multiple impairment methods permitted to be utilized in prior years, which generally require that a loss be incurred before it is recognized. On January 1, 2024, the Organization adopted the ASU prospectively. The impact of the adoption of this ASU was immaterial to the financial statements. Accordingly, there was no adjustment to net assets upon adoption.

Reclassifications

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications have no effect on previously reported changes in net assets.

Note 3. Liquidity and Availability

The Organization has the Board directive to retain funds to keep cash reserves for up to six months of general expense and for building up the organization, from time to time. In general, funds are disbursed towards program expenses at the end of every quarter and held in interest bearing money market accounts at regional or national level banks till such time. Marketable securities are donations received in the form of stocks that are received and immediately sold for cash proceeds.

Liquid financial assets as of December 31, comprise the following:

	2024	***2023***
Cash and cash equivalents	$ 7,509,251	$ 9,091,001
Investments	10,686,664	5,701,200
Accounts and pledges receivable	156,715	156,706
Total financial assets	18,352,630	14,948,907
Less: net assets with donor restrictions	(3,873,964)	(4,576,962)
Financial assets available to meet general expenditures over the next 12 months	$ 14,478,666	$ 10,371,945

Note 4. Significant Concentrations of Risk

The Organization maintains its cash and cash equivalent balances at financial institutions. The deposits may at times exceed the federally insured limits of $250,000 established by the Federal Deposit Insurance Corporation. The Organization has not experienced any losses related to its accounts.

Note 5. Fair Value Measurements

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.

Note 5. Fair Value Measurements (continued)

- Inputs other than quoted prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

	2024			
	Fair Value Measurements at Reporting Date Using			
	Total	***Quoted Prices in Active Markets for Identical Assets (Level 1)***	***Significant Other Observable Inputs (Level 2)***	***Significant Unobservable Inputs (Level 3)***
Cash and cash equivalent	$ 51,777	$ 51,777	$ -	$ -
Corporate bonds	10,190,380	-	10,190,380	-
International bonds	444,507	-	444,507	-
Total	$ 10,686,664	$ 51,777	$ -	$ -

	2023			
	Fair Value Measurements at Reporting Date Using			
	Total	***Quoted Prices in Active Markets for Identical Assets (Level 1)***	***Significant Other Observable Inputs (Level 2)***	***Significant Unobservable Inputs (Level 3)***
Cash and cash equivalent	$ 119,068	$ 119,068	$ -	$ -
Corporate bonds	5,560,151	-	5,560,151	-
International bonds	21,981	-	21,981	-
Total	$ 5,701,200	$ 119,068	$ 5,582,132	$ -

Note 6. Retirement Plan

The Organization sponsors a Simple IRA defined contribution retirement plan (the Plan) covering substantially all of its employees who meet certain eligibility requirements. The Organization will match employee contributions up to 3% of their gross salary. During the years ended December 31, 2024 and 2023, the Organization made contributions to the plan in the amount of $67,799 and $52,379, respectively.

Note 7. Indemnifications

In the ordinary course of business, the Organization enters into various agreements containing standard indemnification provisions. The Organization's indemnification obligations under such provisions are typically in effect from the date of execution of the applicable statute of limitations. The aggregate maximum potential future liability of the Organization under such indemnification provisions is uncertain. As of December 31, 2024 and 2023, no amounts have been accrued related to such indemnification provisions.

Note 8. Advertising

The Organization uses advertising for public relations and to promote its programs. Advertising costs are expensed as incurred. Total advertising costs including event advertisements for the years ended December 31, 2024 and 2023 were $96,853 and $12,787, respectively. This is included in the marketing expense.

Note 9. Endowment Funds

The Organization received $80,000 for the year ended December 31, 2024, to start an endowment account with the main purpose of feeding children in India. This is included in net assets with donor restrictions for the year then ended.

The Organization's endowment consists of donor-restricted endowment funds. Net assets associated with endowment funds, are classified and reported based on the existence or absence of donor-imposed restrictions.

Relevant Law

The Uniform Prudent Management of Institutional Funds Act ("UPMIFA") permits the Organization to appropriate for expenditures or accumulate so much of an endowment fund as the organization determines is prudent for the uses, benefits, purposes, and duration for which the endowment is established subject to the indent of the donor as expressed in the gift instrument. Sevent criteria are to be used to guide the Organization in its yearly expenditure decision: 1) duration and preservation of the endowment funds, 2) the purpose of the Organization and the endowment fund, 3) general economic conditions, 4) effect of inflation or deflation, 5) the expected total return from income and the appreciation of investments, 6) resources of the Organization and, 7) the investment policy of the Organization.

Note 9. Endowment Funds (continued)

Although UPMIFA offers short-term spending flexibility, the explicit consideration of the preservation of funds among factors for prudent spending suggests that a donor-restricted endowment fund is still perpetual in nature. Under UPMIFA, the Board is permitted to determine and continue a prudent payout amount, even if the market value of funds is below historic dollar value. There is an expectation that, over time, the permanently restricted amount will remain intact. This perspective is aligned with the accounting standards definition that endowment type funds are those that must be held in perpetuity even though the historic-dollar-value may be dipped into on a temporary basis.

Note 10. Contributions in India

For the years ended December 31, 2024 and 2023, the Organization received $789,257 and $1,251,219 of contributions, respectively as a result of fundraising efforts in the United States of America. These amounts are also recorded as grant expenses in the same years. Both the revenue and the related grant expense went directly to India.

Note 11. Grants Payable

In 2024 and 2023, the Board of Directors approved to accrue $1,293,905 and $1,202,797 of grants to India, respectively. These grants payable remain restricted to particular organizations approved by the Board of Directors during the year end. The amount is not to be transferred to India until further approval by the Board.

Note 12. Subsequent Events

The Organization has evaluated subsequent events through May 15, 2025, which is the date the financial statements were available to be issued. There were no material subsequent events as of that date which would require disclosure in or adjustment to these financial statements.