



FINANCIAL STATEMENTS

June 30, 2024 and 2023

CONTENTS

Independent Auditor's Report	1
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows	7
Notes to Financial Statements	8

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Hindu American Foundation, Inc.
Washington, D.C.

Opinion

We have audited the financial statements of Hindu American Foundation, Inc., which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Hindu American Foundation, Inc. as of June 30, 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 (GAAS). 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 Hindu American Foundation, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 Hindu American Foundation, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 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 GAAS, 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 Hindu American Foundation, Inc.'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 Hindu American Foundation, Inc.'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.



Wegner CPAs, LLP
Alexandria, Virginia
December 3, 2024

HINDU AMERICAN FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
June 30, 2024 and 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash	\$ 322,067	\$ 280,645
Unconditional promises to give	14,653	38,837
Prepaid expenses	45,525	49,133
Total current assets	382,245	368,615
EQUIPMENT AND FURNITURE		
Equipment	107,148	68,748
Computer equipment	22,778	16,217
Furniture	33,705	29,136
Equipment and furniture	163,631	114,101
Less accumulated depreciation	(81,567)	(62,172)
Equipment and furniture, net	82,064	51,929
OTHER ASSETS		
Operating lease right-of-use asset	19,155	41,538
Investments	4,469,765	3,897,998
Beneficial interest in assets held by Hindu Heritage Endowment	71,642	66,355
Security deposit	1,900	1,900
Total assets	\$ 5,026,771	\$ 4,428,335
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 21,735	\$ 44,708
Current portion of operating lease liability	19,970	23,408
Total current liabilities	41,705	68,116
LONG-TERM LIABILITIES		
Operating lease liability less current portion	-	19,050
Total liabilities	41,705	87,166
NET ASSETS		
Without donor restrictions	4,985,066	4,266,169
With donor restrictions	-	75,000
Total net assets	4,985,066	4,341,169
Total liabilities and net assets	\$ 5,026,771	\$ 4,428,335

See accompanying notes.

HINDU AMERICAN FOUNDATION, INC.
STATEMENTS OF ACTIVITIES
Years Ended June 30, 2024 and 2023

	2024	2023
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
SUPPORT AND REVENUE		
Contributions		
Individuals	\$ 3,025,723	\$ 2,341,758
Grants	60,000	40,603
Special event ticket revenue	64,706	62,056
In-kind contributions	28,203	5,000
Investment return, net	388,502	273,318
Change in value of beneficial interest in assets held by Hindu Heritage Endowment	5,287	2,932
Total support and revenue without donor restrictions	3,572,421	2,725,667
EXPENSES		
Program services		
Advocacy	946,875	482,403
Education	1,109,874	486,354
Community relations	-	547,140
Total program services	2,056,749	1,515,897
Supporting activities		
Management and general	478,789	348,097
Fundraising	392,986	317,597
Total expenses	2,928,524	2,181,591
Net assets released from restrictions	75,000	200,000
Change in net assets without donor restrictions	718,897	744,076
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS		
Contributions	-	80,740
Satisfaction of purpose restrictions	(75,000)	-
Expiration of time restrictions	-	(200,000)
Change in net assets with donor restrictions	(75,000)	(119,260)
Change in net assets	643,897	624,816
Net assets at beginning of year	4,341,169	3,716,353
Net assets at end of year	\$ 4,985,066	\$ 4,341,169

See accompanying notes.

HINDU AMERICAN FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2024

	Program Services			Supporting Activities		Total Expenses
	Advocacy	Education	Total Program Services	Management and General	Fundraising	
Salaries and wages	\$ 301,132	\$ 763,472	\$ 1,064,604	\$ 153,050	\$ 204,607	\$ 1,422,261
Payroll taxes	23,434	59,458	82,892	12,534	16,086	111,512
Health insurance and benefits	20,577	33,194	53,771	4,810	1,424	60,005
Accounting	-	-	-	74,587	-	74,587
Advertising	178	19,949	20,127	-	900	21,027
Bank fees	-	-	-	4,023	33,521	37,544
Consultants and outside services	9,392	44,442	53,834	125,891	36,393	216,118
Depreciation	2,101	16,422	18,523	313	559	19,395
Event catering	5,411	16,422	21,833	330	965	23,128
Event rentals	3,884	61,317	65,201	3,582	42,127	110,910
Grant awards	25,000	11,862	36,862	-	-	36,862
Graphic design	-	4,562	4,562	3,156	397	8,115
Insurance	-	19	19	6,586	-	6,605
Legal	472,086	-	472,086	838	-	472,924
Materials and supplies	965	1,929	2,894	2,523	88	5,505
Meals	2,519	3,862	6,381	5,301	426	12,108
Payroll processing	-	-	-	9,497	-	9,497
Postage and shipping	74	878	952	6,731	1,584	9,267
Printing and copying	1,654	2,049	3,703	2,732	8,786	15,221
Rent	5,853	5,853	11,706	8,952	7,046	27,704
Repairs and maintenance	254	36	290	-	-	290
Subscriptions and registrations	35,311	14,531	49,842	35,574	16,595	102,011
Taxes and licenses	-	-	-	2,627	-	2,627
Telephone and internet	1,462	1,500	2,962	1,402	1,388	5,752
Travel	15,975	27,511	43,486	12,259	3,076	58,821
Website	19,613	20,606	40,219	1,491	17,018	58,728
Total expenses	\$ 946,875	\$ 1,109,874	\$ 2,056,749	\$ 478,789	\$ 392,986	\$ 2,928,524

HINDU AMERICAN FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2023

	Program Services				Supporting Activities		Total Expenses
	Advocacy	Education	Community Relations	Total Program Services	Management and General	Fundraising	
Salaries and wages	\$ 252,691	\$ 323,652	\$ 224,266	\$ 800,609	\$ 134,640	\$ 182,314	\$ 1,117,563
Payroll taxes	19,592	24,882	17,225	61,699	10,985	14,312	86,996
Health insurance and benefits	15,923	15,338	24,267	55,528	8,717	2,618	66,863
Accounting	-	-	-	-	65,400	-	65,400
Advertising	-	3,043	3,400	6,443	-	265	6,708
Bank fees	-	-	-	-	182	31,757	31,939
Consultants and outside services	70,000	24,066	51,830	145,896	55,774	15,266	216,936
Depreciation	1,135	9,780	220	11,135	102	280	11,517
Event catering	-	19,718	436	20,154	681	8,021	28,856
Event rentals	-	5,470	168	5,638	4,629	22,787	33,054
Grant awards	36,017	32,200	2,321	70,538	-	-	70,538
Graphic design	200	2,433	300	2,933	35	-	2,968
Insurance	-	-	-	-	4,010	-	4,010
Legal	1,381	-	211,946	213,327	-	-	213,327
Materials and supplies	207	1,483	765	2,455	811	741	4,007
Meals	238	759	1,602	2,599	2,160	123	4,882
Payroll processing	-	-	-	-	8,607	-	8,607
Postage and shipping	-	108	-	108	4,124	1,562	5,794
Printing and copying	823	3,699	796	5,318	741	6,938	12,997
Rent	5,700	5,700	-	11,400	9,413	5,700	26,513
Repairs and maintenance	146	21	-	167	307	-	474
Subscriptions and registrations	41,277	4,162	3,234	48,673	25,466	4,321	78,460
Taxes and licenses	-	-	-	-	2,033	-	2,033
Telephone and internet	1,571	1,581	-	3,152	1,571	1,575	6,298
Travel	-	7,986	4,364	12,350	6,287	3,118	21,755
Website	35,502	273	-	35,775	1,422	15,899	53,096
Total expenses	\$ 482,403	\$ 486,354	\$ 547,140	\$ 1,515,897	\$ 348,097	\$ 317,597	\$ 2,181,591

See accompanying notes.

HINDU AMERICAN FOUNDATION, INC.
STATEMENTS OF CASH FLOWS
Years Ended June 30, 2024 and 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 643,897	\$ 624,816
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Amortization of discount on unconditional promises to give	-	(5,740)
Amortization of operating lease right-of-use asset	22,383	21,764
Depreciation	19,395	11,517
Net realized and unrealized gain on investments	(280,459)	(201,703)
Change in value of beneficial interest in assets held by Hindu Heritage Endowment	(8,048)	(4,153)
(Increase) decrease in assets		
Unconditional promises to give	24,184	175,907
Prepaid expenses	3,608	(9,708)
Increase (decrease) in liabilities		
Accounts payable	(22,973)	(41,305)
Operating lease liability	(22,488)	(21,260)
Net cash flows from operating activities	379,499	550,135
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of equipment and furniture	(49,530)	(36,921)
Purchases of and interest and dividends retained in investments	(2,110,372)	(1,717,051)
Proceeds from sales of investments	1,819,064	1,190,241
Distributions from beneficial interest in assets held by Hindu Heritage Endowment	2,761	1,221
Net cash flows from investing activities	(338,077)	(562,510)
Net change in cash	41,422	(12,375)
Cash at beginning of year	280,645	293,020
Cash at end of year	<u>\$ 322,067</u>	<u>\$ 280,645</u>

See accompanying notes.

HINDU AMERICAN FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Hindu American Foundation, Inc. (HAF), is a non-profit advocacy organization for the Hindu American community. Founded in 2003, HAF's work impacts a range of issues — from the portrayal of Hinduism in K-12 textbooks to civil and human rights to addressing contemporary problems, such as environmental protection and inter-religious conflict, by applying Hindu philosophy. HAF educates the public about Hinduism, speaks out about issues affecting Hindus worldwide, and builds bridges with institutions and individuals whose work aligns with HAF's objectives. HAF's two focus areas are advocacy and education. Through all of its advocacy efforts, HAF promotes dignity, mutual respect, and pluralism in order to ensure the well-being of Hindus and for all people and the planet to thrive. HAF is non-partisan organization.

During the year ended June 30, 2024, HAF trained over 300 community members as Hindu Dharma Ambassadors, trained approximately 150 teachers, administrators, law enforcement and prosecutors on Hinduism 101, connected with lawmakers in 10 states, and engaged with over 100 reporters on issues ranging from domestic hate crimes to Hinduphobia to caste. HAF's support comes primarily from individual contributions.

Promises to Give

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. At June 30, 2024 and 2023, unconditional promises to give are collectible within one year and are not time or purpose restricted.

Equipment and Furniture

Purchased equipment and furniture are carried at cost. Donated equipment and furniture are carried at fair value on the date of donation. Depreciation is computed using the straight-line method.

Investments

HAF reports investments in equity securities with readily determinable fair values and all investments in debt securities at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities.

Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the statements of financial position.

HINDU AMERICAN FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributions

Contributions received are recorded as increases in net assets without donor restrictions and net assets with donor restrictions depending on the existence of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Leases

HAF does not recognize short-term leases in the statements of financial position. For these leases, HAF recognizes the lease payments in the change in net assets on a straight-line basis over the lease term and variable lease payments in the period in which the obligation for those payments is incurred. HAF also does not separate nonlease components from lease components for all classes of underlying assets and instead accounts for each separate lease component and the nonlease components associated with that lease component as a single lease component. If the rate implicit in the lease is not readily determinable, HAF uses a risk-free rate as the discount rate for the lease for all classes of underlying assets.

Expense Allocation

The financial statements report certain categories of expenses that are attributable to more than one program service or supporting activity. The expenses that are allocated include salaries and wages, payroll taxes, health insurance and benefits, consultants and outside services, depreciation, event catering, event rentals, graphic design, materials and supplies, meals, postage and shipping, printing and copying, subscriptions and registrations, and travel, which are allocated on the basis of estimates of time and effort.

Income Tax Status

Hindu American Foundation, Inc. is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Date of Management's Review

Management has evaluated subsequent events through December 3, 2024, the date which the financial statements were available to be issued.

HINDU AMERICAN FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE 2—CONCENTRATION OF CREDIT RISK

HAF maintains its cash balances in one financial institution located in Washington, D.C. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. As of June 30, 2024 and 2023, the Foundation’s uninsured cash balances are approximately \$72,000 and \$30,000, respectively.

NOTE 3—INVESTMENTS

	2024	2023
Cash equivalents held by investment managers	\$ 227,360	\$ 1,282,447
Common stock	2,010,446	1,588,626
Mutual funds	1,457,001	81,722
Corporate fixed income	774,958	945,203
Investments	\$ 4,469,765	\$ 3,897,998

Fair values of common stock and mutual funds are determined by reference to quoted market prices and other relevant information generated by market transactions, which are Level 1 fair value measurements. Fair values for corporate fixed income securities have been provided by HAF’s investment managers and custodian banks who use a variety of pricing sources and technologies to determine market valuations, including indexes for each sector of the market, which are Level 2 fair value measurements.

HAF’s beneficial interest in assets held by Hindu Heritage Endowment represents an agreement between HAF and the Endowment in which HAF transfers assets to the Endowment in exchange for future distributions. The beneficial interest is not actively traded and significant other observable inputs are not available.

The fair value of the beneficial interest is based on the fair value of the underlying assets as reported to HAF by the Endowment. Little information about those assets is released publicly. The estimated fair value does not necessarily represent the amounts that may be ultimately realized due to the occurrence of future circumstances that cannot be reasonably determined.

NOTE 4—CONDITIONAL PROMISE TO GIVE

HAF has a contribution that is conditioned on certain benchmarks being met. At June 30, 2024, this conditional promise totaled \$50,000. The amount will be recognized as revenue when the specific condition is met.

NOTE 5—NET ASSETS

HAF’s board of directors has designated \$1,200,000 of net assets without donor restrictions for liquidity reserve purposes as of June 30, 2024 and 2023. At June 30, 2024, there are no net assets with donor restrictions. At June 30, 2023, net assets with donor restrictions are restricted for Southwest Regional Director salary.

HINDU AMERICAN FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE 6—LEASES

HAF leases office space in Washington, D.C., under an operating lease that expires April 30, 2025. HAF does not expect to exercise any options to renew the lease, and thus, no option periods are included in the right-of-use asset and lease liability. For the years ended June 30, 2024 and 2023, lease cost is as follows:

	<u>2024</u>	<u>2023</u>
Operating lease cost	\$ 23,303	\$ 23,303
Variable lease cost	4,401	3,210
Total lease cost	<u>\$ 27,704</u>	<u>\$ 26,513</u>

Other information related to operating lease is as follows:

	<u>2024</u>	<u>2023</u>
Cash payments classified as part of operating cash flows for amounts included in the measurement of lease liabilities	\$ 23,408	\$ 22,800
Weighted-average remaining lease term	0.83 years	1.83 years
Weighted-average discount rate	2.85%	2.85%

The maturities of the operating lease liability as of June 30, 2024 include cash payments of \$20,234, of which \$264 represents imputed interest. In September 2024, HAF entered into an operating lease for office space with a lease term of 4.16 years. Future minimum payments on this operating lease total approximately \$125,000.

NOTE 7—PAYCHECK PROTECTION PROGRAM LOAN

HAF received loans totaling \$378,064 under the Paycheck Protection Program (PPP) established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act and administered by the U.S. Small Business Administration (SBA). The loans accrue interest at 1% but payments are deferred for borrowers who apply for forgiveness until SBA remits the borrower's forgiveness amount to the lender. During the year ended June 30, 2021, HAF received preliminary forgiveness on its first draw PPP loan of \$189,032. During the year ended June 30, 2022, HAF received preliminary forgiveness on its second draw PPP loan of \$189,032. The amount of forgiveness depends, in part, on the total amount of eligible expenses paid by HAF during the covered period. Eligible expenses may include payroll costs, interest on mortgages, rent, and utilities. Any unforgiven portion is payable over two years. HAF must retain PPP documentation in its files for six years after the date the loan is forgiven or repaid in full and permit authorized representatives of SBA to access such files upon request. SBA may review any loan at any time at its discretion. Therefore, SBA may review HAF's good-faith certification concerning the necessity of its loan request, whether HAF calculated the loan amount correctly, whether HAF used loan proceeds for the allowable uses specified in the CARES Act, and whether HAF is entitled to loan forgiveness in the amount claimed on its application. If SBA determines HAF was ineligible for the loan or for forgiveness in whole or in part, SBA will seek repayment of the outstanding loan balance.

HINDU AMERICAN FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE 8—LIQUIDITY AND AVAILABILITY

The following table reflects HAF’s financial assets as of the date of the statements of financial position reduced by amounts not available for general expenditures within one year of the date of the statements of financial position because of donor-imposed restrictions or internal board designations.

	2024	2023
Financial assets at end of year		
Cash	\$ 322,067	\$ 280,645
Unconditional promises to give	14,653	38,837
Investments	4,469,765	3,897,998
Beneficial interest in assets held by Hindu Heritage Endowment	71,642	66,355
Total financial assets at end of year	4,878,127	4,283,835
Less amounts unavailable for general expenditures within one year:		
Beneficial interest in assets held by Hindu Heritage Endowment	(71,642)	(66,355)
Restricted by donors purpose restrictions	-	(75,000)
Investments held for long-term purposes	(1,200,000)	(1,200,000)
Financial assets available to meet cash needs for general expenditures within one year	\$ 3,606,485	\$ 2,942,480

As part of HAF’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Amounts not available for general expenditures include \$1,200,000 set aside by the board of directors for liquidity reserve purposes. However, the board-designated amounts could be made available if necessary.

NOTE 9—IN-KIND CONTRIBUTIONS

In-kind contributions recognized within the statements of activities for the years ended June 30, 2024 and 2023, consist of supplies and miscellaneous costs associated with various galas and events HAF hosts each year. Unless otherwise noted, in-kind contributions did not have donor-imposed restrictions.

The supplies and miscellaneous costs for the events were used for fundraising. In valuing the various supplies and costs, HAF estimated the fair value on the basis of estimates of wholesale values that would be received for similar products in the United States.