



FINANCIAL STATEMENTS

June 30, 2023 and 2022

## 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, 2023 and 2022, 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, 2023 and 2022, 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.

### **Adoption of New Accounting Guidance**

As discussed in Note 1 to the financial statements, Hindu American Foundation, Inc. adopted the Financial Accounting Standards Board's Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*, and all subsequently issued clarifying ASUs as of July 1, 2022. Our opinion is not modified with respect to this matter.

### **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 12, 2023

**HINDU AMERICAN FOUNDATION, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
June 30, 2023 and 2022

	2023	2022
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 280,645	\$ 293,020
Current portion of unconditional promises to give	38,837	114,744
Prepaid expenses	49,133	39,425
Total current assets	368,615	447,189
<b>EQUIPMENT AND FURNITURE</b>		
Equipment	68,748	50,148
Computer equipment	16,217	15,198
Furniture	29,136	11,834
Equipment and furniture	114,101	77,180
Less accumulated depreciation	(62,172)	(50,655)
Equipment and furniture, net	51,929	26,525
<b>OTHER ASSETS</b>		
Unconditional promises to give less current portion, net	-	94,260
Operating lease right-of-use asset	41,538	-
Investments	3,897,998	3,169,485
Beneficial interest in assets held by		
Hindu Heritage Endowment	66,355	63,423
Security deposit	1,900	1,900
<b>Total assets</b>	<b>\$ 4,428,335</b>	<b>\$ 3,802,782</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 44,708	\$ 86,013
Current portion of operating lease liability	23,408	-
Total current liabilities	68,116	86,013
<b>OTHER LIABILITIES</b>		
Deferred rent	-	416
Operating lease liability less current portion	19,050	-
Total liabilities	87,166	86,429
<b>NET ASSETS</b>		
Without donor restrictions	4,266,169	3,522,093
With donor restrictions	75,000	194,260
Total net assets	4,341,169	3,716,353
<b>Total liabilities and net assets</b>	<b>\$ 4,428,335</b>	<b>\$ 3,802,782</b>

See accompanying notes.

**HINDU AMERICAN FOUNDATION, INC.**  
**STATEMENTS OF ACTIVITIES**  
Years Ended June 30, 2023 and 2022

	2023	2022
<b>CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>		
<b>SUPPORT AND REVENUE</b>		
Contributions		
Individuals	\$ 2,341,758	\$ 2,081,993
Grants	40,603	10,350
Forgiveness of Paycheck Protection Program loan	-	189,032
Special event ticket revenue	62,056	10,000
In-kind contributions	5,000	-
Investment return, net	273,318	(366,194)
Change in value of beneficial interest in assets held by Hindu Heritage Endowment	2,932	(6,936)
<b>Total support and revenue without donor restrictions</b>	<b>2,725,667</b>	<b>1,918,245</b>
<b>EXPENSES</b>		
Program services		
Public policy	482,403	487,634
Education	486,354	383,448
Community relations	547,140	372,114
<b>Total program services</b>	<b>1,515,897</b>	<b>1,243,196</b>
Supporting activities		
Management and general	348,097	748,777
Fundraising	317,597	212,518
<b>Total expenses</b>	<b>2,181,591</b>	<b>2,204,491</b>
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>		
Expiration of time restrictions	200,000	100,000
<b>Change in net assets without donor restrictions</b>	<b>744,076</b>	<b>(186,246)</b>
<b>CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS</b>		
Contributions	80,740	8,486
Expiration of time restrictions	(200,000)	(100,000)
<b>Change in net assets with donor restrictions</b>	<b>(119,260)</b>	<b>(91,514)</b>
<b>Change in net assets</b>	<b>624,816</b>	<b>(277,760)</b>
Net assets at beginning of year	3,716,353	3,994,113
<b>Net assets at end of year</b>	<b>\$ 4,341,169</b>	<b>\$ 3,716,353</b>

See accompanying notes.

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

	Program Services			Supporting Activities			Total Expenses
	Public Policy	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
<b>Total expenses</b>	<b>\$ 482,403</b>	<b>\$ 486,354</b>	<b>\$ 547,140</b>	<b>\$ 1,515,897</b>	<b>\$ 348,097</b>	<b>\$ 317,597</b>	<b>\$ 2,181,591</b>

**HINDU AMERICAN FOUNDATION, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
Year Ended June 30, 2022

	Program Services				Supporting Activities		Total Expenses
	Public Policy	Education	Community Relations	Total Program Services	Management and General	Fundraising	
Salaries and wages	\$ 305,794	\$ 283,211	\$ 183,376	\$ 772,381	\$ 125,245	\$ 134,653	\$ 1,032,279
Payroll taxes	24,117	18,380	16,424	58,921	10,749	10,524	80,194
Health insurance and benefits	29,507	12,190	19,113	60,810	-	708	61,518
Accounting	-	-	-	-	49,943	-	49,943
Advertising	-	-	-	-	-	3,155	3,155
Bank fees	-	-	-	-	22,150	1,568	23,718
Consultants and outside services	40,000	34,000	113,190	187,190	90,337	9,391	286,918
Depreciation	200	10,009	220	10,429	79	-	10,508
Event catering	-	166	-	166	1,436	-	1,602
Event rentals	-	550	-	550	3,213	-	3,763
Grant awards	29,592	-	1,281	30,873	11,600	-	42,473
Graphic design	94	38	-	132	-	117	249
Insurance	-	-	-	-	4,658	-	4,658
Legal	70	-	25,068	25,138	331,966	-	357,104
Materials and supplies	199	633	39	871	2,002	1,601	4,474
Meals	402	249	368	1,019	2,742	2,792	6,553
Payroll processing	-	-	-	-	7,710	-	7,710
Postage and shipping	-	146	-	146	710	97	953
Printing and copying	425	2,681	2,350	5,456	4,063	478	9,997
Rent	13,872	13,870	-	27,742	14,942	13,870	56,554
Repairs and maintenance	1,000	-	70	1,070	5,110	-	6,180
Subscriptions and registrations	16,457	2,484	1,340	20,281	29,345	23,857	73,483
Taxes and licenses	-	100	-	100	200	-	300
Telephone and internet	1,600	1,682	-	3,282	2,898	1,599	7,779
Travel	9,406	3,059	9,075	21,540	24,527	526	46,593
Website	14,899	-	200	15,099	3,152	7,582	25,833
<b>Total expenses</b>	<b>\$ 487,634</b>	<b>\$ 383,448</b>	<b>\$ 372,114</b>	<b>\$ 1,243,196</b>	<b>\$ 748,777</b>	<b>\$ 212,518</b>	<b>\$ 2,204,491</b>

See accompanying notes.



**HINDU AMERICAN FOUNDATION, INC.**  
**STATEMENTS OF CASH FLOWS**  
Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 624,816	\$ (277,760)
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Amortization of discount on unconditional promises to give	(5,740)	(8,486)
Amortization of operating lease right-of-use asset	21,764	-
Depreciation	11,517	10,508
Paycheck Protection Program loan forgiveness	-	(189,032)
Net realized and unrealized (gain) loss on investments	(201,703)	395,518
Change in value of beneficial interest in assets held by Hindu Heritage Endowment	(4,153)	6,936
(Increase) decrease in assets		
Unconditional promises to give	175,907	85,256
Prepaid expenses	(9,708)	(12,791)
Security deposit	-	2,774
Increase (decrease) in liabilities		
Accounts payable	(41,305)	76,938
Deferred rent	-	(24,626)
Operating lease liability	(21,260)	-
Net cash flows from operating activities	<u>550,135</u>	<u>65,235</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of equipment and furniture	(36,921)	(5,914)
Purchases of investments	(1,648,383)	(1,156,345)
Proceeds from sales of investments	1,121,573	1,069,072
Distributions from beneficial interest in assets held by Hindu Heritage Endowment	1,221	-
Net cash flows from investing activities	<u>(562,510)</u>	<u>(93,187)</u>
<b>Net change in cash</b>	<u>(12,375)</u>	<u>(27,952)</u>
Cash at beginning of year	<u>293,020</u>	<u>320,972</u>
<b>Cash at end of year</b>	<u><u>\$ 280,645</u></u>	<u><u>\$ 293,020</u></u>

See accompanying notes.

**HINDU AMERICAN FOUNDATION, INC.**  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2023 and 2022

---

---

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 three areas of focus are education, policy, and community. Through 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, 2023, HAF provided 4,000 Pakistani Hindu refugees with basic medical care and vaccinations, trained over 1,000 people on Hinduism 101, connected with lawmakers in over 30 states, and engaged with over 100 reporters on issues ranging from domestic hate crimes to Kashmir and its exiled Hindus. 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. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue.

**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.

**HINDU AMERICAN FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2023 and 2022

---

---

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

**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 statement 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.

**HINDU AMERICAN FOUNDATION, INC.**  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2023 and 2022

---

---

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Adoption of New Accounting Guidance**

On February 25, 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*. The guidance in this Update and all subsequently issued clarifying Updates supersede the guidance in FASB Accounting Standards Codification (ASC) Topic 840, Leases, and creates FASB ASC Topic 842, Leases. The main difference between previous guidance and Topic 842 is the recognition of assets and liabilities by lessees for those leases classified as operating leases. A lessee should recognize in the statement of financial position a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. Also, under Topic 842, disclosures are required by lessees and lessors to report useful information to users of financial statements about the amount, timing, and uncertainty of cash flows arising from leases.

HAF adopted the requirements of Topic 842 as of July 1, 2022, using the optional transition method that allows HAF to initially apply the new guidance at the adoption date and recognize a cumulative-effect adjustment to the opening balance of net assets in the period of adoption. HAF's reporting for the year ended June 30, 2023, is in accordance with the previous guidance in Topic 840.

HAF elected the package of practical expedients permitted under the transition guidance within Topic 842. This package allowed HAF to account for its leases that commenced before the adoption date without reassessing whether any expired or existing contracts are or contain leases, the lease classification for any expired or existing leases, and initial direct costs for any existing leases.

The adoption of Topic 842 resulted in the recognition of operating lease right-of-use assets of \$63,302 and operating lease liabilities of \$63,718 as of July 1, 2022. The adoption of Topic 842 did not have a material effect on HAF's change in net assets or cash flows.

**Date of Management's Review**

Management has evaluated subsequent events through December 12, 2023, the date which the financial statements were available to be issued.

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, 2023 and 2022, the Foundation's uninsured cash balances are approximately \$30,000 and \$29,000, respectively.

**HINDU AMERICAN FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2023 and 2022

NOTE 3—UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give are as follows:

	2023	2022
Receivable in less than one year	\$ 38,837	\$ 114,744
Receivable in one to five years	-	100,000
Unconditional promises to give	38,837	214,744
Less discounts to net present value	-	(5,740)
Unconditional promises to give, net	\$ 38,837	\$ 209,004

Unconditional promises to give receivable in more than one year are discounted at 3%.

NOTE 4—INVESTMENTS

	2023	2022
Cash equivalents held by investment managers	\$ 1,282,447	\$ 185,767
Common stock	1,588,626	1,328,134
Certificates of deposit	-	598,192
Mutual funds	81,722	413,771
Corporate fixed income	945,203	643,621
Investments	\$ 3,897,998	\$ 3,169,485

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 certificates of deposit and corporate fixed income 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.

**HINDU AMERICAN FOUNDATION, INC.**  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2023 and 2022

---

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, 2023 and 2022. At June 30, 2023, net assets with donor restrictions are restricted for Southwest Regional Director salary. At June 30, 2022, net assets with donor restrictions are restricted for subsequent years' activities.

NOTE 6—LEASES

HAF leases office space in Washington, D.C., under an operating lease that expires April 30, 2025. Hindu American Foundation, Inc. does not expect to exercise any options or terminate or to renew the leases, and thus, no option periods are included in the right-of-use asset and lease liability.

Total operating lease cost is \$23,778 for the year ended June 30, 2023.

Other information related to operating lease is as follows:

Cash payments classified as part of operating cash flows for amounts included in the measurement of lease liabilities	\$ 64,759
Weighted-average remaining lease term	1.83 years
Weighted-average discount rate	2.85%

The maturities of the operating lease liability as of June 30, 2023, are as follows:

Year ending June 30:	
2024	\$ 23,408
2025	<u>20,348</u>
Total minimum lease payments	43,756
Imputed interest	<u>(1,298)</u>
Total lease liability	<u>\$ 42,458</u>

As of June 30, 2022, Hindu American Foundation, Inc. leases office space under a noncancelable operating lease. Rent expense for the year ended **June 30, 2022** was \$26,513.

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.

**HINDU AMERICAN FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2023 and 2022

**NOTE 7—PAYCHECK PROTECTION PROGRAM LOAN (continued)**

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.

**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.

	2023	2022
Financial assets at end of year		
Cash	\$ 280,645	\$ 293,020
Unconditional promises to give	38,837	209,004
Investments	3,897,998	3,169,485
Beneficial interest in assets held by Hindu Heritage Endowment	66,355	63,423
Total financial assets at end of year	4,283,835	3,734,932
Less amounts unavailable for general expenditures within one year:		
Beneficial interest in assets held by Hindu Heritage Endowment	(66,355)	(63,423)
Long-term promises to give	-	(100,000)
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	\$ 2,942,480	\$ 2,371,509

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.