



DAVISKELLY CERTIFIED
PUBLIC
ACCOUNTANTS
CREATING VALUE FROM NUMBERS

THE AKSHAYA PATRA FOUNDATION (USA)



Financial Statements

For the Years Ended December 31, 2021 and 2020

*A Certified Women-Owned Business Enterprise
in the Commonwealth of Massachusetts and City of New York
4238 Washington Street, Suite 307, Boston, Massachusetts 02131
687 West 204th Street, New York, New York 10034
Member, American Institute of Certified Public Accountants
Member, Association of Fraud Examiners
www.daviskellycpas.com*

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Financial Statements

For the Years Ended December 31, 2021 and 2020

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Independent Auditors' Report

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

Opinion

We have audited the accompanying financial statements of The Akshaya Patra Foundation (USA) (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, cash flows, and functional expenses for the year 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, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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.

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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.

Report on Summarized Comparative Information

We have previously audited The Akshaya Patra Foundation (USA)'s 2020 financial statements, and our report dated April 30, 2021, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Davis Kelly LLC

New York, New York
May 25, 2022

THE AKSHAYA PATRA FOUNDATION (USA)

Statements of Financial Position

As of December 31, 2021 and 2020

<i>Assets</i>	<u>2021</u>	<u>2020</u>
<i>Current Assets:</i>		
Cash and cash equivalents	9,923,859	\$ 6,779,097
Accounts and pledges receivable	225,640	274,225
Prepaid expenses	7,555	11,578
<i>Total current assets</i>	10,157,054	7,064,900
<i>Website and Computers, net</i>	-	10,196
<i>Other Assets:</i>		
Pledges receivable - noncurrent, net	-	327,780
<i>Total assets</i>	\$ 10,157,054	\$ 7,402,876
 <i>Liabilities and Net Assets</i>		
<i>Current Liabilities:</i>		
Accounts payable	65,618	\$ 11,142
Grants payable	6,919,124	4,121,711
Accrued expenses	35,419	13,330
Refundable advanced	-	119,800
<i>Total liabilities</i>	7,020,161	4,265,983
<i>Net Assets:</i>		
Without donor restrictions	982,800	850,649
With donor restrictions	2,154,093	2,286,244
<i>Total net assets</i>	3,136,893	3,136,893
<i>Total liabilities and net assets</i>	\$ 10,157,054	\$ 7,402,876

See accompanying notes to financial statements.

THE AKSHAYA PATRA FOUNDATION (USA)

Statement of Activities

For the Year Ended December 31, 2021

	<i>Without Donor Restrictions</i>	<i>With Donor Restrictions</i>	<i>Total</i>
<i>Revenue and Support:</i>			
Contributions and other support:			
Contributions	\$ 2,327,962	\$ 3,030,898	\$ 5,358,860
Interest income	18,337	-	18,337
Misc Income	120,305	-	120,305
Grants	711,206	-	711,206
Net assets released from restrictions	1,462,539	(1,462,539)	-
	<hr/>	<hr/>	<hr/>
<i>Total contributions and other support</i>	4,640,349	1,568,359	6,208,708
	<hr/>	<hr/>	<hr/>
Event revenue	6,141,933	116,425	6,258,358
Less: direct event expenses	(320,269)	-	(320,269)
Net assets released from restrictions	1,816,935	(1,816,935)	-
	<hr/>	<hr/>	<hr/>
<i>Event revenue, net</i>	7,638,599	(1,700,510)	5,938,089
	<hr/>	<hr/>	<hr/>
<i>Total revenue and support</i>	12,278,948	(132,151)	12,146,797
	<hr/>	<hr/>	<hr/>
<i>Expenses:</i>			
Program services	11,182,243	-	11,182,243
Fundraising	726,354	-	726,354
General and administration	238,200	-	238,200
	<hr/>	<hr/>	<hr/>
<i>Total expenses</i>	12,146,797	-	12,146,797
	<hr/>	<hr/>	<hr/>
<i>Changes in net assets</i>	132,151	(132,151)	-
	<hr/>	<hr/>	<hr/>
<i>Net Assets, beginning of year</i>	850,649	2,286,244	3,136,893
	<hr/>	<hr/>	<hr/>
<i>Net Assets, end of year</i>	\$ 982,800	\$ 2,154,093	\$ 3,136,893
	<hr/>	<hr/>	<hr/>

See accompanying notes to financial statements.

THE AKSHAYA PATRA FOUNDATION (USA)

Statement of Activities

For the Year Ended December 31, 2020

	<i>Without Donor Restrictions</i>	<i>With Donor Restrictions</i>	<i>Total</i>
<i>Revenue and Support:</i>			
Contributions and other support:			
Contributions	\$ 5,016,432	\$ 2,690,569	\$ 7,707,001
Interest income	15,281	-	15,281
Contributed goods and services	116,345	-	116,345
Net assets released from restrictions	1,222,030	(1,222,030)	-
	<hr/>	<hr/>	<hr/>
<i>Total contributions and other support</i>	6,370,088	1,468,539	7,838,627
	<hr/>	<hr/>	<hr/>
Event revenue	3,810,727	1,198,799	5,009,526
Less: direct event expenses	(102,615)	-	(102,615)
Net assets released from restrictions	3,336,359	(3,336,359)	-
	<hr/>	<hr/>	<hr/>
<i>Event revenue, net</i>	7,044,471	(2,137,560)	4,906,911
	<hr/>	<hr/>	<hr/>
<i>Total revenue and support</i>	13,414,559	(669,021)	12,745,538
	<hr/>	<hr/>	<hr/>
<i>Expenses:</i>			
Program services	11,120,157	-	11,120,157
Fundraising	689,880	-	689,880
General and administration	180,693	-	180,693
	<hr/>	<hr/>	<hr/>
<i>Total expenses</i>	11,990,730	-	11,990,730
	<hr/>	<hr/>	<hr/>
<i>Changes in net assets</i>	1,423,829	(669,021)	754,808
	<hr/>	<hr/>	<hr/>
<i>Net Assets, beginning of year</i>	(573,180)	2,955,265	2,382,085
	<hr/>	<hr/>	<hr/>
<i>Net Assets, end of year</i>	\$ 850,649	\$ 2,286,244	\$ 3,136,893
	<hr/>	<hr/>	<hr/>

THE AKSHAYA PATRA FOUNDATION (USA)

Statements of Cash Flows

For the Years Ended December 31, 2021 and 2020

	2021	2020
<i>Cash Flows from Operating Activities:</i>		
Changes in net assets	\$ -	\$ 754,808
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation and amortization	6,845	16,392
Loss of fixed asset disposal	3,351	-
Change in:		
Accounts and pledges receivable	48,585	494,943
Prepaid expenses	4,023	(8,788)
Pledges receivable - noncurrent	327,780	(318,143)
Accounts payable	54,476	649
Grants payable	2,797,413	4,121,711
Accrued expenses	22,089	(79,305)
Refundable advance	(119,800)	119,800
	3,144,762	5,102,067
<i>Net cash provided by operating activities</i>		
<i>Cash Flows from Investing Activities:</i>		
Purchase of fixed assets	-	(2,084)
	-	(2,084)
	<i>Net cash used in investing activities</i>	
	3,144,762	5,099,983
	<i>Net change in cash and cash equivalents</i>	
<i>Cash and Cash Equivalents, beginning</i>	6,779,097	1,679,114
<i>Cash and Cash Equivalents, ending</i>	\$ 9,923,859	\$ 6,779,097

THE AKSHAYA PATRA FOUNDATION (USA)

Statement of Functional Expenses

For the Year Ended December 31, 2021

	<i>Program Services</i>	<i>Fundraising</i>	<i>General and Administration</i>	<i>Total</i>
Grants to Akshaya Patra Foundation India	10,689,899	\$ -	\$ -	\$ 10,689,899
Salaries and program consultants	408,870	518,567	69,807	997,244
Health insurance	10,288	13,048	1,757	25,093
Fringe benefits	2,085	2,644	356	5,085
Payroll taxes	28,997	36,776	4,951	70,724
Professional fees	22,509	15,006	37,515	75,030
Donation processing fees	-	68,126	7,570	75,696
Information technology	-	3,161	558	3,719
Website	405	2,025	1,620	4,050
Filing fees	-	-	10,858	10,858
Marketing expenses	-	33,375	8,344	41,719
Occupancy	-	3,596	3,596	7,192
Telecommunication	-	1,862	1,241	3,103
Pension expense	4,263	5,407	728	10,398
Insurance	-	-	15,795	15,795
Office expenses	-	19,029	57,088	76,117
Dues and subscription	14,927	3,732	6,220	24,879
Fixed asset disposal	-	-	3,351	3,351
Depreciation and amortization	-	-	6,845	6,845
<i>Total expenses</i>	<i>\$ 11,182,243</i>	<i>\$ 726,354</i>	<i>\$ 238,200</i>	<i>\$ 12,146,797</i>

See accompanying notes to financial statements.

THE AKSHAYA PATRA FOUNDATION (USA)

Statement of Functional Expenses

For the Year Ended December 31, 2020

	<i>Program Services</i>	<i>Fundraising</i>	<i>General and Administration</i>	<i>Total</i>
Grants to Akshaya Patra Foundation India	\$ 10,663,287	\$ -	\$ -	\$ 10,663,287
Salaries and program consultants	395,728	501,899	67,563	965,190
Health insurance	9,554	12,117	1,631	23,302
Fringe benefits	2,409	3,056	411	5,876
Payroll taxes	26,235	33,274	4,479	63,988
Professional fees	16,600	11,067	27,667	55,334
Donation processing fees	-	37,856	4,206	42,062
Information technology	-	11,349	2,003	13,352
Website	559	2,797	2,238	5,594
Filing fees	-	-	11,983	11,983
Marketing expenses	-	61,663	15,416	77,079
Occupancy	-	5,100	5,100	10,200
Telecommunication	-	2,467	1,644	4,111
Pension expense	2,543	3,225	434	6,202
Insurance	-	-	8,577	8,577
Office expenses	-	3,199	9,598	12,797
Travel	3,242	811	1,351	5,404
Depreciation and amortization	-	-	16,392	16,392
<i>Total expenses</i>	<i>\$ 11,120,157</i>	<i>\$ 689,880</i>	<i>\$ 180,693</i>	<i>\$ 11,990,730</i>

THE AKSHAYA PATRA FOUNDATION (USA)

Notes to Financial Statements

For the Years Ended December 31, 2021 and 2020

Note 1. Organization

The Akshaya Patra Foundation (USA) (the Organization) was established in 2001 as a USA 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 2021, TAPF provided hot, nutritious meals and grocery kits to more than 1.8 million children daily in over 19,000 government schools across 14 states from 55 centralized and 2 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, 2021 and 2020, the Organization contributed \$10,689,899 and \$10,663,287 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

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions: Net assets without donor restrictions are those available for use in general operations and not subject to donor or certain grantor restrictions.

Net assets with donor restrictions: Net assets with donor restrictions are subject to donor-imposed or certain grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed Restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Basis of Presentation

Financial statements presentation follows the guidelines of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities—Presentation of Financial Statements of Not-for-Profit Entities*.

THE AKSHAYA PATRA FOUNDATION (USA)

Notes to Financial Statements

For the Years Ended December 31, 2021 and 2020

Note 2. Summary of Significant Accounting Policies (Continued)

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.

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.

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.

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.

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.

THE AKSHAYA PATRA FOUNDATION (USA)

Notes to Financial Statements

For the Years Ended December 31, 2021 and 2020

Note 2. Summary of Significant Accounting Policies (Continued)

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.

Revenue and Revenue Recognition

Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Contributions

Contributions are recognized as revenue when they are received or unconditionally pledged. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, assets with restrictions are reclassified to assets with restrictions.

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.

New Accounting Pronouncements

The Organization has adopted Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*, as amended. ASU 2014-09 eliminated the transaction and industry-specific revenue recognition guidance under previous U.S. GAAP and replaced it with a principle-based approach for determining revenue recognition. The core principle of ASU 2014-09 is that an entity should recognize revenue to depict the transfer of 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. The standard improves the usefulness and understandability of the Organization's financial reporting.

THE AKSHAYA PATRA FOUNDATION (USA)

Notes to Financial Statements

For the Years Ended December 31, 2021 and 2020

Note 2. Summary of Significant Accounting Policies (Continued)

Analysis of various provisions of this ASU resulted in no significant changes in the way the Organization recognizes revenue; therefore, no changes to the previously issued audited financial statements were required. The presentation and disclosures of revenue have been enhanced in accordance with the standards. The Organization has adopted 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.

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, 2021 comprise the following:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 9,923,859	6,779,097
Accounts and pledges receivable	225,640	274,225
<i>Total financial assets</i>	10,149,499	7,053,322
Less: net assets with donor restrictions	<u>(2,154,093)</u>	<u>(2,286,244)</u>
<i>Financial assets available to meet general expenditures over the next 12 months</i>	<u>\$ 7,995,406</u>	<u>\$ 4,767,078</u>

THE AKSHAYA PATRA FOUNDATION (USA)

Notes to Financial Statements

For the Years Ended December 31, 2021 and 2020

Note 4. Equipment

The Organization's equipment was fully depreciated or disposed as obsolete during the year. Total loss of fixed asset disposal for the year ended December 31, 2021 is \$3,351.

Note 5. Significant Concentrations of Risk

Financial instruments that potentially subject the Organization to concentration of credit risk consist primarily of cash, cash equivalents, investments, and contributions receivable. The Organization maintains its cash, cash equivalents, and investments with high-credit quality financial institutions. These balances from time-to-time exceed the FDIC limits and subject the Organization to concentration of credit risk. At December 31, 2021 and 2020, the Organization had \$8,929,859 and \$6,188,281, respectively, over the FDIC limits.

Note 6. Events

The Organization had events in the years 2021 and 2020. For the years ended December 31, the event revenue and expenses are as follows:

	2021		2020	
	<i>Without Donor Restrictions</i>	<i>With Donor Restrictions</i>	<i>Total</i>	<i>Total</i>
Event revenue	\$ 6,141,933	\$ 116,425	\$ 6,258,358	\$ 5,009,526
Less: direct event expenses	(320,269)	-	(320,269)	(102,615)
Net assets released from restrictions	1,816,935	(1,816,935)	-	-
<i>Events, net</i>	<u>\$ 7,638,599</u>	<u>\$ (1,700,510)</u>	<u>\$ 5,938,089</u>	<u>\$ 4,906,911</u>

Note 7. 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, 2021 and 2020, the Organization made contributions to the plan in the amount of \$10,398 and \$6,202, respectively.

THE AKSHAYA PATRA FOUNDATION (USA)

Notes to Financial Statements

For the Years Ended December 31, 2021 and 2020

Note 8. 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, 2021 and 2020, no amounts have been accrued related to such indemnification provisions.

Note 9. Pledges Receivable

Pledges receivable are estimated to be collected as follows on December 31:

	<u>2021</u>	<u>2020</u>
Within one year	\$ 225,640	\$ 274,225
In one to five years	-	333,337
<i>Subtotal</i>	225,640	607,562
Less: discount to net present value	-	(557)
<i>Pledges receivable, net</i>	<u>\$ 225,640</u>	<u>\$ 607,005</u>

Pledges receivable are recorded after being discounted to the anticipated net present value of the future cash flows.

Note 10. 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, 2021 and 2020 were \$16,198 and \$56,533, respectively. This is included in the marketing expense.

Note 11. Contributions in India

For the years ended December 31, 2021 and 2020, the Organization received \$464,721 and \$367,417 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.

THE AKSHAYA PATRA FOUNDATION (USA)

Notes to Financial Statements

For the Years Ended December 31, 2021 and 2020

Note 12. Grants Payable

Grants payable were approved in 2021, but not disbursed to India due to the Coronavirus Crisis. These grants payable remain restricted to particular organizations approved by the Board of Directors during the year ended December 31, 2021.

Additionally, for the year ended December 31, 2021, the Board of Directors approved to accrued the changes in net assets of \$57,466 as grants to India, and thereby the changes in net assets for 2021 is \$0. The amount is not to be transferred to India until further approval by the Board.

Note 13. Subsequent Events

The Organization has evaluated subsequent events through May 25, 2022, which is the date the financial statements were available to be issued.