

**INTERNATIONAL SOCIETY FOR KRISHNA
CONSCIOUSNESS OF WASHINGTON**

Reviewed Financial Statements
December 31, 2023 and 2022

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of
International Society for Krishna Consciousness
of Washington
Sammamish, Washington

We have reviewed the accompanying financial statements of International Society for Krishna Consciousness of Washington (a nonprofit organization), which comprise the statements of financial position as of December 31, 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. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of International Society for Krishna Consciousness of Washington and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Greenwood Ohlund

Seattle, Washington
June 26, 2025

INTERNATIONAL SOCIETY FOR KRISHNA CONSCIOUSNESS OF WASHINGTON

STATEMENTS OF FINANCIAL POSITION

December 31, 2023 and 2022

ASSETS	2023	2022
Current Assets		
Cash and cash equivalents	\$ 1,298,579	\$ 1,756,994
Investments	11,850	181,458
Prepaid expenses and other assets	10,000	10,000
Total current assets	1,320,429	1,948,452
Property and Equipment, net	9,604,634	9,437,786
Total assets	<u>\$ 10,925,063</u>	<u>\$ 11,386,238</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 62,784	\$ 340,472
Notes payable, current portion	303,746	2,908,379
Total current liabilities	366,530	3,248,851
Notes Payable, less current portion	546,254	146,355
Total liabilities	912,784	3,395,206
Net Assets without Donor Restrictions	10,012,279	7,991,032
Total liabilities and net assets	<u>\$ 10,925,063</u>	<u>\$ 11,386,238</u>

See accompanying notes and independent accountant's review report.

INTERNATIONAL SOCIETY FOR KRISHNA CONSCIOUSNESS OF WASHINGTON

STATEMENTS OF ACTIVITIES
For the Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Public Support and Revenue		
Contributions	\$ 3,390,368	\$ 1,731,417
In-kind contributions	150,000	150,000
Investment return	16,343	(20,969)
Gain on sale of property and equipment	-	406,763
Other	-	5,166
	<hr/>	<hr/>
Total public support and revenue	3,556,711	2,272,377
Expenses		
Program services	1,240,834	1,372,718
Management and general	294,630	234,793
	<hr/>	<hr/>
Total expenses	1,535,464	1,607,511
	<hr/>	<hr/>
Change in net assets	2,021,247	664,866
Net Assets without Donor Restrictions, beginning of year	<hr/> 7,991,032	<hr/> 7,326,166
Net Assets without Donor Restrictions, end of year	<hr/> <u>\$ 10,012,279</u>	<hr/> <u>\$ 7,991,032</u>

See accompanying notes and independent accountant's review report.

INTERNATIONAL SOCIETY FOR KRISHNA CONSCIOUSNESS OF WASHINGTON

STATEMENTS OF FUNCTIONAL EXPENSES
For the Years Ended December 31, 2023 and 2022

	2023			2022		
	Program Services	Management and General	Total	Program Services	Management and General	Total
Programs and events	\$ 541,708	\$ -	\$ 541,708	\$ 609,332	\$ -	\$ 609,332
Depreciation	166,691	55,563	222,254	65,623	21,874	87,497
Salaries and taxes	145,750	30,000	175,750	175,315	30,000	205,315
Supplies	157,903	-	157,903	238,134	-	238,134
Occupancy	44,132	85,554	129,686	43,639	86,831	130,470
Taxes and bank charges	-	67,941	67,941	-	44,420	44,420
Maintenance and repair	62,540	-	62,540	77,695	-	77,695
Interest	58,366	-	58,366	106,645	-	106,645
Miscellaneous	10,252	23,973	34,225	12,826	32,255	45,081
Professional services	-	31,599	31,599	-	19,413	19,413
Insurance	24,283	-	24,283	21,523	-	21,523
Travel	12,221	-	12,221	5,706	-	5,706
Contract services	9,933	-	9,933	3,298	-	3,298
Dues and subscriptions	6,088	-	6,088	11,984	-	11,984
Telephone and internet	967	-	967	998	-	998
	<u>\$ 1,240,834</u>	<u>\$ 294,630</u>	<u>\$ 1,535,464</u>	<u>\$ 1,372,718</u>	<u>\$ 234,793</u>	<u>\$ 1,607,511</u>

See accompanying notes and independent accountant's review report.

INTERNATIONAL SOCIETY FOR KRISHNA CONSCIOUSNESS OF WASHINGTON

STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash Flows from Operating Activities		
Cash received from donors	\$ 3,390,368	\$ 1,731,417
Cash received from interest and dividends	4,491	867
Cash paid to employees	(175,750)	(55,315)
Cash paid to vendors	(1,206,782)	(1,187,733)
Cash paid for interest	<u>(58,366)</u>	<u>(106,645)</u>
Net cash flows from operating activities	1,953,961	382,591
Cash Flows from Investing Activities		
Proceeds from sale of property and equipment	-	1,190,000
Proceeds from sale of investments	181,460	765
Purchases of property and equipment	<u>(389,102)</u>	<u>(904,476)</u>
Net cash flows from investing activities	(207,642)	286,289
Cash Flows from Financing Activities		
Issuance of note payable	500,000	-
Payment of notes payable	<u>(2,704,734)</u>	<u>(641,977)</u>
Net cash flows from financing activities	<u>(2,204,734)</u>	<u>(641,977)</u>
Net change in cash and cash equivalents	(458,415)	26,903
Cash and Cash Equivalents, beginning of the year	<u>1,756,994</u>	<u>1,730,091</u>
Cash and Cash Equivalents, end of the year	<u>\$ 1,298,579</u>	<u>\$ 1,756,994</u>
Supplemental Disclosure of Cash Flow Information		
Purchases of property and equipment included in accounts payable at December 31	<u>\$ -</u>	<u>\$ 285,416</u>

See accompanying notes and independent accountant's review report.

INTERNATIONAL SOCIETY FOR KRISHNA CONSCIOUSNESS OF WASHINGTON

NOTES TO FINANCIAL STATEMENTS

Note 1 – Organization and Summary of Significant Accounting Policies

Organization

International Society for Krishna Consciousness of Washington (the Society) is a Washington nonprofit corporation established in 1971 to educate all peoples in the techniques of spiritual life in order to check the imbalance of values in life and to achieve real unity and peace in the world. The Society seeks to propagate a consciousness of Krishna as it is revealed in the Bhagavad-Gita As It Is, Srimad Bhagavatam, and other authentic Vedic literature. The Society operates the Vedic Cultural Center (the Center) in Sammamish, Washington, which provides facilities for the greater Seattle community to participate in cultural events, seminars, exhibits, and festivals that help preserve and promote the traditional Vedic arts, cuisine, music, dance, drama, literature, and languages. Over 500 people attend services and events at the Center weekly, and the festivals attract between 5,000 and 25,000 individuals. In addition to religious services, the Center also provides meals on wheels to seniors, provides programs for teens, and distributes free food at the Center for anyone in need.

The Society's primary source of revenue is contributions from individuals.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from the estimated amounts.

Financial Statement Presentation

The Society reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Expirations of donor restrictions on net assets (the donor-stipulated purpose has been fulfilled or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. Contributions with donor restrictions are reported as increases in net assets without donor restrictions if the restrictions are met within the same reporting period in which the contributions are recognized. There were no net assets with donor restrictions at December 31, 2023 or 2022.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Society considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. The Society may at times hold cash and cash equivalents in excess of federally insured limits.

Certain cash and cash equivalents are sometimes comingled with investments and are therefore classified as investments (see below).

INTERNATIONAL SOCIETY FOR KRISHNA CONSCIOUSNESS OF WASHINGTON

NOTES TO FINANCIAL STATEMENTS

Fair Value Measurements

Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement determined based on assumptions that market participants would use in pricing an asset or liability. There are three levels that prioritize the inputs used in measuring fair value as follows:

- Level 1: Observable market inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Observable market inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3: Unobservable inputs where there is little or no market data, which require the reporting entity to develop its own assumptions.

Investments

The Society accounts for investments at fair value using Level 1 inputs (in this case, quoted prices in active markets). Investments consist of the following at December 31:

	2023	2022
Money market funds	\$ 606	\$ 141,118
Common stock	11,244	40,340
	<u>\$ 11,850</u>	<u>\$ 181,458</u>

Investment return is reported on the statements of activities and consists of interest and dividend income and realized and unrealized gains and losses, less external investment expenses.

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INTERNATIONAL SOCIETY FOR KRISHNA CONSCIOUSNESS OF WASHINGTON

NOTES TO FINANCIAL STATEMENTS

Property and Equipment

The Society capitalizes all assets with an estimated service life that exceeds one year and with a cost greater than \$2,500. Assets are valued at cost, if purchased, or at fair value at the date of donation, if contributed. Depreciation of fixed assets is provided over the estimated service lives of the respective assets on the straight-line basis. Service lives range between 5 and 40 years. The cost of maintenance and repairs is charged to expense as incurred.

Property and equipment consist of the following at December 31:

	2023	2022
Computers	\$ 8,930	\$ 8,930
Furniture and equipment	550,415	448,445
Buildings	8,929,371	7,319,456
	9,488,716	7,776,831
Less: Accumulated depreciation	(2,588,682)	(2,366,428)
	6,900,034	5,410,403
Land	2,704,600	2,704,600
Buildings – Construction in progress	-	1,322,783
	<u>\$ 9,604,634</u>	<u>\$ 9,437,786</u>

Support and Revenue

Contribution revenue is recognized when an unconditional pledge is made. The Society does not consider pledges from its congregation to be unconditional since there is high uncertainty regarding collectability, as individuals may leave the congregation at any time or not pay at all. Therefore, the Society does not recognize revenue for these types of pledges until cash or other assets are received.

Donated Goods and Services

A substantial number of volunteers, including the members of the Board of Directors, have made significant contributions of time to the Society. The value of this contributed time does not meet the criteria for recognition under current accounting standards and, accordingly, is not reflected in the accompanying financial statements.

Additionally, the Society receives contributions of management- and accounting-related services. Donated professional services totaled \$150,000 for each of the years ended December 31, 2023 and 2022, and are shown as in-kind contributions in the statements of activities based on the fair value of the services received.

INTERNATIONAL SOCIETY FOR KRISHNA CONSCIOUSNESS OF WASHINGTON

NOTES TO FINANCIAL STATEMENTS

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Depreciation, occupancy, and maintenance and repair are allocated based on square footage of the Society's property. All other expenses that are attributed to more than one program or supporting function are allocated based on estimates of time and effort.

Fundraising Costs

The Society does not maintain accounts for its fundraising costs nor for that portion of activities with a fundraising component. In management's opinion, such costs are not material to the financial statements.

Income Taxes

The Society is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Society 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 Society is subject to tax on unrelated debt-financed rental income.

Reclassifications

Certain prior year balances have been reclassified in order to conform to the current year presentation.

Subsequent Events

The Society has evaluated subsequent events through the date these financial statements were available to be issued, which was June 26, 2025.

Note 2 – Liquidity and Availability of Resources

The Society strives to maintain liquid assets sufficient to cover 90 days of general expenditures. All investments are available for liquidation to meet upcoming cash needs.

The following table reflects the Society's financial assets as of December 31, 2023 and 2022, available to meet general expenditures within one year of the date of the statement of financial position.

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 1,298,579	\$ 1,756,994
Investments	<u>11,850</u>	<u>181,458</u>
	<u>\$ 1,310,429</u>	<u>\$ 1,938,452</u>

INTERNATIONAL SOCIETY FOR KRISHNA CONSCIOUSNESS OF WASHINGTON

NOTES TO FINANCIAL STATEMENTS

Note 3 – Notes Payable

The Society has the following notes payable at December 31:

	2023	2022
Unsecured and non-interest bearing loan payable to a privately held entity. Principal repayment of \$100,000 are due annually beginning in 2024, until paid in full.	\$ 500,000	\$ -
Unsecured loan payable to an individual. No interest or principal payments were due until the original maturity date of August 21, 2015. The loan bore interest at a fixed rate of 3% until the maturity date. After the maturity date, the loan bore interest at a fixed rate of 5% through December 31, 2015, and 0% thereafter. The loan balance is still outstanding as of December 31, 2023. A repayment date has not yet been determined. As the loan is considered due on demand, the entirety of the balance is included in the current portion of notes payable.	200,000	200,000
Loan payable to the U.S. Small Business Administration under the Economic Injury Disaster Loan program, secured by generally all assets. Monthly principal and interest payments of \$641 are due beginning in 2022 (all repayments in 2022 were applied to accrued interest) through maturity of August 5, 2051. Interest is fixed at 2.75%.	150,000	150,000
Loan paid in full in 2023.	-	2,704,734
	850,000	3,054,734
Less: Current portion	(303,746)	(2,908,379)
	\$ 546,254	\$ 146,355

Future minimum principal payments on the Society's notes payable are as follows the years ending December 31:

2024	\$	303,746
2025		103,851
2026		103,958
2027		104,068
2028		104,182
Thereafter		130,195
		\$ 850,000