

THE PRASAD PROJECT, INC. AND SUBSIDIARY

**CONSOLIDATED FINANCIAL STATEMENTS
AND
SUPPLEMENTARY INFORMATION**

DECEMBER 31, 2024 AND 2023

THE PRASAD PROJECT, INC. AND SUBSIDIARY

TABLE OF CONTENTS

	Page
Independent Auditors' Report.....	1-3
Consolidated Financial Statements	
Consolidated Statements of Financial Position	4
Consolidated Statements of Activities	5
Consolidated Statements of Functional Expenses	6-7
Consolidated Statements of Cash Flows	8
Notes to Consolidated Financial Statements	9-18
Supplementary Information	
Consolidating Statements of Financial Position	20
Consolidating Statements of Activities	21



INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
The PRASAD Project, Inc. and Subsidiary

Opinion

We have audited the accompanying consolidated financial statements of The PRASAD Project, Inc. (a nonprofit organization) and Subsidiary, which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of The PRASAD Project, Inc. and Subsidiary as of December 31, 2024 and 2023, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The PRASAD Project, 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 consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The PRASAD Project, Inc.'s ability to continue as a going concern within one year after the date that the consolidated 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 consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 consolidated 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 consolidated 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 PRASAD Project, 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The PRASAD Project, 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.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements of financial position as of December 31, 2024 and 2023, and the consolidating statements of activities for the years then ended are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Lutz + Carr, LLP

New York, New York
October 10, 2025

THE PRASAD PROJECT, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Assets		
Cash and cash equivalents	\$1,926,265	\$1,916,895
Accounts receivable	3,803	5,499
Contributions receivable - without donor restrictions	64,253	34,162
Prepaid expenses	11,798	13,457
Investments	3,196,804	2,511,379
Operating lease right-of-use asset	266,896	75,832
Property and equipment, at cost, net of accumulated depreciation and amortization	579,763	508,982
Security deposits	<u>5,387</u>	<u>5,387</u>
Total Assets	<u><u>\$6,054,969</u></u>	<u><u>\$5,071,593</u></u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 59,134	\$ 151,555
Operating lease liability	<u>270,163</u>	<u>77,323</u>
Total Liabilities	<u>329,297</u>	<u>228,878</u>
Commitment		
Net Assets		
Without Donor Restrictions		
Board designated reserve	400,000	2,511,379
Other	<u>5,195,672</u>	<u>1,713,665</u>
Total Without Donor Restrictions	<u>5,595,672</u>	<u>4,225,044</u>
With Donor Restrictions	<u>130,000</u>	<u>617,671</u>
Total Net Assets	<u>5,725,672</u>	<u>4,842,715</u>
Total Liabilities and Net Assets	<u><u>\$6,054,969</u></u>	<u><u>\$5,071,593</u></u>

See notes to consolidated financial statements.

THE PRASAD PROJECT, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Changes in Net Assets Without Donor Restrictions		
Operating Activities		
Revenues, Gains and Other Support		
Contributions	\$1,442,724	\$ 989,188
Third party medical insurance reimbursement	158,369	97,310
Benefit income	33,195	20,150
Benefit income - donated services and materials	12,338	-
Less: Direct benefit expenses	(12,338)	(8,128)
Donated services and materials	6,650	8,170
Other income	4,009	404
	<u>1,644,947</u>	<u>1,107,094</u>
Net assets released from restrictions		
Satisfaction of time and program restrictions	<u>617,671</u>	<u>127,329</u>
Total Revenues, Gains and Other Support	<u>2,262,618</u>	<u>1,234,423</u>
Expenses		
Program Services		
Sullivan County Dental	510,856	381,453
Tansa Valley	394,006	218,379
Constituency Education	82,353	103,723
Mexico and Other Affiliates	81,973	78,433
Total Program Services	<u>1,069,188</u>	<u>781,988</u>
Supporting Services		
Management and general	112,720	98,618
Fundraising	25,523	32,520
Total Supporting Services	<u>138,243</u>	<u>131,138</u>
Total Expenses	<u>1,207,431</u>	<u>913,126</u>
Increase in Net Assets Without Donor Restrictions from Operations	<u>1,055,187</u>	<u>321,297</u>
Non-Operating Activities		
Net investment income	315,441	237,166
Loss on disposal of property and equipment	-	(2,760)
	<u>315,441</u>	<u>234,406</u>
Increase in Net Assets Without Donor Restrictions	<u>1,370,628</u>	<u>555,703</u>
Changes in Net Assets With Donor Restrictions		
Contributions	130,000	145,000
Net assets released from restrictions	<u>(617,671)</u>	<u>(127,329)</u>
Increase (Decrease) in Net Assets With Donor Restrictions	<u>(487,671)</u>	<u>17,671</u>
Increase in net assets	882,957	573,374
Net assets, beginning of year	<u>4,842,715</u>	<u>4,269,341</u>
Net Assets, End of Year	<u><u>\$5,725,672</u></u>	<u><u>\$4,842,715</u></u>

See notes to consolidated financial statements.

THE PRASAD PROJECT, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2024 WITH COMPARATIVE TOTALS FOR 2023

	2024								2023	
	Program Services					Supporting Services			Total Expenses	Total Expenses
	Sullivan County Dental	Tansa Valley	Constituency Education	Mexico and Other Affiliates	Total	Management and General	Fundraising	Total		
Salaries	\$240,503	\$ 58,752	\$ 24,311	\$ 34,442	\$ 358,008	\$ 37,426	\$ 10,130	\$ 47,556	\$ 405,564	\$351,098
Payroll taxes & employee benefits	32,977	13,103	5,422	7,681	59,183	3,170	2,259	5,429	64,612	65,822
Direct program support to PRASAD Chikitsa & Mexico	-	268,962	-	15,000	283,962	-	-	-	283,962	75,208
Professional fees	46,167	14,298	24,845	5,591	90,901	41,024	2,973	43,997	134,898	155,925
Occupancy	15,098	11,508	4,761	6,746	38,113	4,361	1,984	6,345	44,458	47,387
Insurance	20,152	5,363	2,219	3,144	30,878	4,486	925	5,411	36,289	30,918
Computer supplies	4,379	4,233	1,752	2,482	12,846	16,194	730	16,924	29,770	27,356
Repairs and maintenance	13,347	1,611	667	944	16,569	444	278	722	17,291	9,184
Office expense	1,309	611	11,710	358	13,988	147	105	252	14,240	15,255
Telephone, fax and e-mail	5,431	2,711	2,812	1,589	12,543	653	467	1,120	13,663	12,857
Dental supplies	13,168	-	-	-	13,168	-	-	-	13,168	11,168
Video reproduction	-	6,038	914	-	6,952	-	2,748	2,748	9,700	21,384
Travel	4,440	715	296	419	5,870	-	871	871	6,741	6,214
Office supplies	2,960	474	196	278	3,908	115	82	197	4,105	4,687
Advertising	3,430	-	-	-	3,430	-	-	-	3,430	5,151
Seminars and education	548	481	319	282	1,630	166	83	249	1,879	2,809
Other expenses	10,902	5,146	2,129	3,017	21,194	1,250	1,888	3,138	24,332	20,549
Bad debt expense and provision for uncollectible accounts	47,034	-	-	-	47,034	-	-	-	47,034	28,045
Depreciation and amortization	49,011	-	-	-	49,011	3,284	-	3,284	52,295	22,109
Total Expenses, 2024	<u>\$510,856</u>	<u>\$394,006</u>	<u>\$ 82,353</u>	<u>\$ 81,973</u>	<u>\$1,069,188</u>	<u>\$ 112,720</u>	<u>\$ 25,523</u>	<u>\$138,243</u>	<u>\$1,207,431</u>	
Total Expenses, 2023	<u>\$381,453</u>	<u>\$218,379</u>	<u>\$ 103,723</u>	<u>\$ 78,433</u>	<u>\$ 781,988</u>	<u>\$ 98,618</u>	<u>\$ 32,520</u>	<u>\$131,138</u>		<u>\$913,126</u>

See notes to consolidated financial statements.

THE PRASAD PROJECT, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023

	Program Services					Supporting Services			
	Sullivan County Dental	Tansa Valley	Constituency Education	Mexico and Other Affiliates	Total	Management and General	Fundraising	Total	Total Expenses
Salaries	\$191,953	\$ 65,056	\$ 26,570	\$ 40,139	\$323,718	\$ 16,078	\$ 11,302	\$ 27,380	\$351,098
Payroll taxes & employee benefits	29,604	14,794	6,036	9,188	59,622	3,632	2,568	6,200	65,822
Direct program support to PRASAD Chikitsa & Mexico	-	75,208	-	-	75,208	-	-	-	75,208
Professional fees	35,787	18,597	39,729	9,575	103,688	42,795	9,442	52,237	155,925
Occupancy	15,130	13,136	5,348	8,217	41,831	3,273	2,283	5,556	47,387
Insurance	17,729	3,917	1,598	2,381	25,625	4,625	668	5,293	30,918
Computer supplies	1,938	2,016	826	1,257	6,037	20,972	347	21,319	27,356
Repairs and maintenance	4,940	1,764	721	1,031	8,456	425	303	728	9,184
Office expense	1,221	813	11,375	496	13,905	1,204	146	1,350	15,255
Telephone, fax and e-mail	5,400	3,167	1,288	1,953	11,808	462	587	1,049	12,857
Dental supplies	11,168	-	-	-	11,168	-	-	-	11,168
Video reproduction	-	10,279	7,438	-	17,717	-	3,667	3,667	21,384
Travel	2,063	3,327	235	346	5,971	140	103	243	6,214
Office supplies	2,834	765	303	472	4,374	177	136	313	4,687
Advertising	4,933	89	35	54	5,111	25	15	40	5,151
Seminars and education	1,141	643	262	404	2,450	247	112	359	2,809
Other expenses	8,305	4,808	1,959	2,920	17,992	1,716	841	2,557	20,549
Bad debt expense and provision for uncollectible accounts	28,045	-	-	-	28,045	-	-	-	28,045
Depreciation and amortization	19,262	-	-	-	19,262	2,847	-	2,847	22,109
Total Expenses	<u>\$381,453</u>	<u>\$218,379</u>	<u>\$ 103,723</u>	<u>\$ 78,433</u>	<u>\$781,988</u>	<u>\$ 98,618</u>	<u>\$ 32,520</u>	<u>\$131,138</u>	<u>\$913,126</u>

See notes to consolidated financial statements.

THE PRASAD PROJECT, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Cash Flows From Operating Activities		
Increase in net assets	\$ 882,957	\$ 573,374
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Loss on disposal of property and equipment	-	2,760
Amortization of operating lease right-of-use asset	26,050	30,649
Depreciation and amortization	52,295	22,109
Realized and unrealized gains on investments	(232,683)	(165,341)
Bad debt expense	47,034	28,045
Donated securities	(96,806)	(32,519)
(Increase) decrease in:		
Accounts receivable	(45,338)	(25,545)
Contributions receivable	(30,091)	217,462
Prepaid expenses	1,659	3,282
Increase (decrease) in:		
Accounts payable and accrued expenses	(92,421)	94,838
Operating lease liability	(24,274)	(30,212)
Net Cash Provided By Operating Activities	<u>488,382</u>	<u>718,902</u>
Cash Flows From Investing Activities		
Acquisition of property and equipment	(123,076)	(492,890)
Proceeds from sale of investments	1,221,221	2,408,044
Purchase of investments	(1,577,157)	(2,464,024)
Maturity of certificate of deposit	-	223,725
Net Cash Used By Investing Activities	<u>(479,012)</u>	<u>(325,145)</u>
Net increase in cash and cash equivalents	9,370	393,757
Cash and cash equivalents, beginning of year	<u>1,916,895</u>	<u>1,523,138</u>
Cash and Cash Equivalents, End of Year	<u><u>\$1,926,265</u></u>	<u><u>\$1,916,895</u></u>
Supplemental Disclosure of Non-Cash Investing Activities:		
Operating lease right-of-use asset obtained in exchange for operating lease liability	<u>\$ 217,114</u>	<u>\$ -</u>

See notes to consolidated financial statements.

THE PRASAD PROJECT, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

Note 1 - Organization and Summary of Significant Accounting Policies

a - Organization

The PRASAD Project, Inc. ("PRASAD") was incorporated in the State of New York on March 13, 1992. PRASAD is an acronym that stands for Philanthropic Relief, Altruistic Service and Development. Its work began in the Tansa Valley of Maharashtra State, India. Working in partnership with people in need and their communities, PRASAD's mission is to help improve the quality of life and offer opportunities for self-reliance. Its areas of focus are rural family health, eye care, nutrition, clean water, community assistance, and education. In addition to operating its own programs, The PRASAD Project, Inc. collaborates with related PRASAD organizations in India, Europe, Mexico and Australia on programs which include cataract eye operations, an HIV program, a tuberculosis program, and a maternal child health program. A hospital was opened in the village of Ganeshpuri in 2003, which operates a mobile clinic that travels to the rural area offering medical care to the villagers and community development work, including self-help groups and a water harvesting program. In Mexico, eye camps continue to be organized in partnership with local organizations and hospitals, such as APEC, along with the support of dedicated medical volunteers, to provide sight-restoring cataract surgeries.

PRASAD's sole member is the Syda Foundation, a 501(c)(3) organization under the laws of the State of New York. PRASAD is the sole member of PRASAD Children's Dental Health Program, Inc. ("CDHP"), a New York State Article 28 Clinic to serve the dental needs of the indigent pediatric population of Sullivan County, New York. The clinic is fully staffed and is equipped with two operatories. In addition to clinic procedures, dental health education continued in local schools through classes.

b - Principles of Consolidation

The accompanying consolidated financial statements include the accounts of The PRASAD Project, Inc. and its member organization PRASAD Children's Dental Health Program, Inc. (together "the Organization"). All significant intercompany transactions have been eliminated in the consolidated financial statements.

c - Cash and Cash Equivalents

The Organization considers all short-term highly liquid investments, purchased with original maturities of three months or less to be cash equivalents, except for money market accounts held in the Organization's investment portfolio as part of its long-term investment strategies.

d - Accounts Receivable

Accounts receivable consist of amounts due for dental clinic patient services from third-party insurance payors, less an estimated allowance for credit losses based on a review of all outstanding amounts. The Organization determines the allowance for credit losses based on historical experience, an assessment of current economic conditions, and a review of subsequent collections.

THE PRASAD PROJECT, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

d - Accounts Receivable (continued)

Changes in the allowance for credit losses for the years ended December 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$12,950	\$ -
Current year adjustment	47,034	28,045
Current year write offs	<u>(53,431)</u>	<u>(15,095)</u>
Balance, End of Year	<u>\$ 6,553</u>	<u>\$12,950</u>

e - Contributions Receivable and Contributions

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Conditional promises to give that have a measurable performance, related or other barrier and right of return, are not recognized until the conditions on which they depend have been met. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction is met, net assets with donor restrictions are reclassified to net assets without donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

The Organization uses the allowance method to determine uncollectible contributions receivable. The allowance, when necessary, is based on prior years' experience and management's analysis of specific promises made.

f - Investments and Fair Value Measurements

The Organization reflects investments at fair value in the consolidated statement of financial position. Interest, dividends and gains and losses on investments are reflected in the consolidated statement of activities as increases and decreases in net assets without donor restrictions, unless their use is restricted by explicit donor stipulations or by law.

THE PRASAD PROJECT, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

f - Investments and Fair Value Measurements (continued)

Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity-based measurement. Accounting principles generally accepted in the United States of America ("U.S. GAAP") establish a framework for measuring fair value which maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those the market participants would use in pricing the asset based on market data obtained from sources independent of the Organization. Unobservable inputs reflect the Organization's assumptions about the inputs market participants would use in pricing the asset based on the best information available in the circumstances. Fair value measurements are categorized into three levels as follows:

- Level 1 Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.
- Level 2 Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.
- Level 3 Inputs that are unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

All of the Organization's investments and certificates of deposit are classified within Level 1 of the fair value hierarchy. Fair value is determined using quoted market prices.

g - Property and Equipment

Property and equipment are recorded at cost, or if donated, at the fair market value at date of receipt. Depreciation and amortization are computed using the straight-line method over the estimated useful life of the asset, or in the case of leasehold improvements, over the life of the lease, if shorter.

h - Operating Lease Right-of-Use Asset and Operating Lease Liability

For leases with an initial term greater than twelve months, the Organization's operating lease liability is initially recorded at the present value of the unpaid lease payments. The Organization's operating lease right-of-use asset is initially recorded at the carrying amount of the lease liability adjusted for initial direct costs, accruals, deferred rent liability and lease incentives, if any. Operating lease cost is recognized on a straight-line basis over the lease term.

THE PRASAD PROJECT, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

i - Financial Statement Presentation

The Organization's financial statements have been prepared in accordance with U.S. GAAP, which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objective of the Organization. These net assets may be used at the discretion of the Organization's management and Board of Directors.

Net Assets With Donor Restrictions

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

j - Revenue Recognition

The Organization generates revenue through reimbursements from third party medical insurance providers for its dental services. Revenue is recognized at the point in time the services are rendered.

k - Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Expenses are applied directly to programs where applicable or allocated on a reasonable and consistent basis. A substantial portion of the Organization expenses are directly allocated to program activities. The expenses that are allocated include salaries, payroll taxes and benefits, occupancy costs, insurance, and general office expenses, which are allocated based on an estimate of employees' time and effort.

l - Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

m - Tax Status

The PRASAD Project, Inc. and PRASAD Children's Dental Health Program, Inc. are not-for-profit corporations exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and have been designated as organizations that are not private foundations.

THE PRASAD PROJECT, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

n - Subsequent Events

The Organization has evaluated subsequent events through October 10, 2025, the date that the financial statements are considered available to be issued.

Note 2 - Information Regarding Liquidity and Availability

The Organization operates with a balanced budget for each fiscal year based on the revenues expected to be available to fund anticipated expenses. The Organization considers general expenditures to consist of all expenses related to its ongoing program activities, and the expenses related to general and administrative and fundraising activities undertaken to support those activities.

The Organization regularly monitors liquidity to meet its operating needs and other commitments and obligations, while seeking to maximize the investment of its available funds. Management prepares regular cash flow projections to determine liquidity needs and has a policy to maintain liquid financial assets on an ongoing basis sufficient to cover ninety days of general expenditures. Financial assets in excess of daily cash requirements are invested in money market funds and other short-term investments.

The Organization's financial assets as of December 31, 2024 and 2023 available to meet cash needs for general expenditures within one year are summarized as follows:

	<u>2024</u>	<u>2023</u>
Financial Assets at Year End:		
Cash and cash equivalents	\$1,926,265	\$1,916,895
Accounts receivable	3,803	5,499
Contributions receivable	64,253	34,162
Investments	<u>3,196,804</u>	<u>2,511,379</u>
Total Financial Assets	5,191,125	4,467,935
Less: Amounts not Available to be Used within One Year:		
Net assets with donor restrictions, subject to expenditure for specific purposes or passage of time	(130,000)	(617,671)
Plus: Net assets with donor restrictions expected to be met in less than one year	130,000	617,671
Less: Board designated reserve	<u>(400,000)</u>	<u>(2,511,379)</u>
Financial Assets Available to Meet General Expenditures within One Year	<u>\$4,791,125</u>	<u>\$1,956,556</u>

THE PRASAD PROJECT, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

Note 2 - Information Regarding Liquidity and Availability (continued)

In addition to these financial assets available for use within one year, the Organization's board designated reserve could be made available at any time to meet cash needs for general expenditures at the discretion of the Board.

Note 3 - Net Assets

- a - During 2014, the Board of Directors established a board designated reserve from its existing investment portfolio. Investment income on the reserve and other receipts totaled \$207,269 for 2023.

In 2024, the Board approved a Board Designated Reserve Policy setting a target balance equal to six months of operating expenses, or \$400,000. Use of reserve funds is limited to financial emergencies, material revenue shortfalls, or other extraordinary circumstances that threaten the Organization's mission, and requires prior Board approval. Amounts utilized are to be replenished to the target level as soon as feasible. The reserve balance totaled \$400,000 as of December 31, 2024.

- b - Net assets with donor restrictions as of December 31, 2024 and 2023 are restricted for the following:

	<u>2024</u>	<u>2023</u>
Subject to expenditure for specific purposes:		
Purchase of new mobile dental clinic (Note 6)	\$ -	\$449,584
Purchase of office vehicle	-	23,087
Humanitarian work in Mexico	-	15,000
Subject to expenditure in future periods	<u>130,000</u>	<u>130,000</u>
Total Net Assets With Donor Restrictions	<u>\$130,000</u>	<u>\$617,671</u>

Note 4 - Contributions Receivable

Contributions receivable as of December 31, 2024 and 2023 are due in less than one year. Uncollectible contributions receivable are expected to be insignificant.

THE PRASAD PROJECT, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

Note 5 - Investments

Investments at December 31, 2024 and 2023 are all classified within Level 1 of the fair value hierarchy and consist of the following:

	<u>2024</u>		<u>2023</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Money market funds	\$ 178,447	\$ 178,447	\$ 195,806	\$ 195,806
Certificates of deposit	441,481	441,481	152,775	152,775
Corporate equities	691,864	1,132,428	622,691	867,288
Mutual funds and exchange traded funds	<u>1,439,896</u>	<u>1,444,448</u>	<u>1,289,652</u>	<u>1,295,510</u>
	<u>\$2,751,688</u>	<u>\$3,196,804</u>	<u>\$2,260,924</u>	<u>\$2,511,379</u>

Net investment income for the years ended December 31, 2024 and 2023 consists of the following:

	<u>2024</u>	<u>2023</u>
Interest and dividend income	\$ 98,090	\$ 84,887
Realized gains on sales of investments	38,022	18,542
Unrealized gains on investments	194,661	146,799
Investment management fees	<u>(15,332)</u>	<u>(13,062)</u>
	<u>\$315,441</u>	<u>\$237,166</u>

Note 6 - Property and Equipment

Property and equipment consist of the following at December 31:

	<u>Life</u>	<u>2024</u>	<u>2023</u>
Mobile dental clinic and automobile	10 years	\$ 807,663	\$ 334,607
Furniture and equipment	3-10 years	208,390	209,187
Leasehold improvements	7-15 years	104,708	94,239
Computer equipment and website	3-5 years	49,275	48,460
Mobile dental clinic	In progress	<u>-</u>	<u>360,467</u>
		1,170,036	1,046,960
Less: Accumulated depreciation and amortization		<u>(590,273)</u>	<u>(537,978)</u>
		<u>\$ 579,763</u>	<u>\$ 508,982</u>

THE PRASAD PROJECT, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

Note 6 - Property and Equipment (continued)

The mobile dental clinic in progress at the end of December 31, 2023 was placed into service in 2024.

Note 7 - Operating Lease Liability

The Organization occupies space under an operating lease agreement expiring May 31, 2024. In May 2024, the Organization amended its lease agreement to extend the lease through May 31, 2029, with an option to renew for an additional five years through May 31, 2034.

Operating lease expense for the years ended December 31, 2024 and 2023 was \$33,901 and \$31,933, respectively. There were no variable lease costs incurred. As of December 31, 2024, the remaining term of the Organization's operating lease is one hundred-thirteen months and the discount rate is 4.61%.

Maturities of the Organization's operating lease liability as of December 31, 2024 are as follows:

<u>Year Ending December 31,</u>	
2025	\$ 32,770
2026	33,425
2027	34,094
2028	34,776
2029	35,471
Thereafter, through May 2034	<u>165,250</u>
	335,786
Less: Amount attributable to interest	<u>(65,623)</u>
	<u>\$270,163</u>

Note 8 - Commitment

In May 2000, PRASAD entered into an arrangement with CDHP to provide dental services to the indigent pediatric population of New York State. Under an administrative support and use of assets agreement, PRASAD provides all administrative and supervisory services necessary, as well as equipment, computers, software, furniture and supplies reasonably required to provide the dental services. PRASAD makes grants to CDHP towards the furtherance of its purpose. PRASAD made grants to CDHP totaling \$10,000 (2024) and \$360 (2023). PRASAD also provided additional donated materials and services in the amount of \$118,184 (2024) and \$127,195 (2023). These amounts have been eliminated within the consolidated financial statements.

THE PRASAD PROJECT, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

Note 9 - Donated Services and Materials

The Organization received the following donated services and materials during the years ended December 31:

	<u>2024</u>	<u>2023</u>
Catering (benefit income)	\$ 8,065	\$ -
Equipment rentals (benefit income)	4,273	-
Legal services	5,250	4,500
Other services	<u>1,400</u>	<u>3,670</u>
	<u>\$18,988</u>	<u>\$8,170</u>

Donated legal and other services are valued by the service providers based on rates charged for similar services. Catering and equipment rentals were valued by the donor based on costs incurred. The Organization utilizes donated services in its program and supporting services.

Note 10 - Grants

The Board of Directors approved the following grants during the years ended December 31:

	<u>2024</u>	<u>2023</u>
PRASAD Chikitsa, a public charitable trust created in India	\$268,962	\$75,208
PRASAD Mexico, a public charitable trust created in Mexico	<u>15,000</u>	<u>-</u>
	<u>\$283,962</u>	<u>\$75,208</u>

Note 11 - Concentrations

- a - The Organization maintains its cash and cash equivalents at financial institutions in New York. The balances, up to certain limits, are insured by the Federal Deposit Insurance Corporation. Balances commonly exceed these limits.
- b - The Organization received 36% of its total contributed income from two donors during the year ended December 31, 2024.

THE PRASAD PROJECT, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

Note 12 - Related Organizations

The PRASAD Project, Inc. represents the *Worldwide PRASAD Organization*, which seeks to build a highly diversified movement of organizations to improve the quality of life and create opportunities for self-reliance.

As of December 31, 2024, there were six approved PRASAD Organizations conducting operations, including CDHP. Five entities have obtained charitable status equivalent in India, Mexico, Spain, France and Australia.

Currently, The PRASAD Project, Inc. does not have a common member on the Board of Trustees of each of these entities. Accordingly, the transactions of these entities have not been included in the accompanying consolidated financial statements.

The PRASAD Project, Inc. provides support to these entities by funding service delivery, coordinating common fundraising campaigns, and providing communication materials.

SUPPLEMENTARY INFORMATION

THE PRASAD PROJECT, INC. AND SUBSIDIARY
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023

	2024				2023			
	The PRASAD Project, Inc.	PRASAD Children's Dental Health Program, Inc.	Consolidating Entries	Consolidated Totals	The PRASAD Project, Inc.	PRASAD Children's Dental Health Program, Inc.	Consolidating Entries	Consolidated Totals
Assets								
Cash and cash equivalents	\$ 1,439,021	\$ 487,244	\$ -	\$ 1,926,265	\$ 1,272,429	\$ 644,466	\$ -	\$ 1,916,895
Accounts receivable	-	3,803	-	3,803	-	5,499	-	5,499
Due from CDHP	6,446	-	(6,446)	-	3,647	-	(3,647)	-
Contributions receivable - without donor restrictions	16,002	48,251	-	64,253	-	34,162	-	34,162
Prepaid expenses	4,267	7,531	-	11,798	4,405	9,052	-	13,457
Investments	3,196,804	-	-	3,196,804	2,511,379	-	-	2,511,379
Operating lease right-of-use asset	266,896	-	-	266,896	75,832	-	-	75,832
Property and equipment, at cost, net of accumulated depreciation and amortization	11,194	568,569	-	579,763	14,478	494,504	-	508,982
Security deposits	5,387	-	-	5,387	5,387	-	-	5,387
Total Assets	\$ 4,946,017	\$ 1,115,398	\$ (6,446)	\$ 6,054,969	\$ 3,887,557	\$ 1,187,683	\$ (3,647)	\$5,071,593
Liabilities and Net Assets								
Liabilities								
Accounts payable and accrued expenses	\$ 43,897	\$ 15,237	\$ -	\$ 59,134	\$ 43,403	\$ 108,152	\$ -	\$ 151,555
Operating lease liability	270,163	-	-	270,163	77,323	-	-	77,323
Due to PRASAD Project, Inc.	-	6,446	(6,446)	-	-	3,647	(3,647)	-
Total Liabilities	314,060	21,683	(6,446)	329,297	120,726	111,799	(3,647)	228,878
Commitment								
Net Assets								
Without Donor Restrictions								
Board designated reserve	400,000	-	-	400,000	2,511,379	-	-	2,511,379
Other	4,231,957	963,715	-	5,195,672	1,240,452	473,213	-	1,713,665
Total Without Donor Restrictions	4,631,957	963,715	-	5,595,672	3,751,831	473,213	-	4,225,044
With Donor Restrictions	-	130,000	-	130,000	-	602,671	-	617,671
Total Net Assets	4,631,957	1,093,715	-	5,725,672	3,766,831	1,075,884	-	4,842,715
Total Liabilities and Net Assets	\$ 4,946,017	\$ 1,115,398	\$ (6,446)	\$ 6,054,969	\$ 3,887,557	\$ 1,187,683	\$ (3,647)	\$ 5,071,593

See notes to consolidated financial statements and independent auditors' report.

THE PRASAD PROJECT, INC. AND SUBSIDIARY

CONSOLIDATING STATEMENTS OF ACTIVITIES

YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024				2023			
	The PRASAD Project, Inc.	PRASAD Children's Dental Health Program, Inc.	Consolidating Entries	Consolidated Totals	The PRASAD Project, Inc.	PRASAD Children's Dental Health Program, Inc.	Consolidating Entries	Consolidated Totals
Changes in Net Assets Without Donor Restrictions								
Operating Activities								
Revenues, Gains and Other Support								
Contributions	\$ 1,331,209	\$ 121,515	\$ (10,000)	\$ 1,442,724	\$ 862,782	\$ 126,766	\$ (360)	\$ 989,188
Third party medical insurance reimbursement	-	158,369	-	158,369	-	97,310	-	97,310
Benefit income	24,760	8,435	-	33,195	20,150	-	-	20,150
Benefit income - donated services and materials	-	12,338	-	12,338	-	-	-	-
Less: Direct benefit expenses	-	(12,338)	-	(12,338)	(8,128)	-	-	(8,128)
Donated services and materials	3,750	121,084	(118,184)	6,650	6,670	128,695	(127,195)	8,170
Other income	148	3,861	-	4,009	404	-	-	404
	<u>1,359,867</u>	<u>413,264</u>	<u>(128,184)</u>	<u>1,644,947</u>	<u>881,878</u>	<u>352,771</u>	<u>(127,555)</u>	<u>1,107,094</u>
Net assets released from restrictions								
Satisfaction of time and program restrictions	15,000	602,671	-	617,671	-	127,329	-	127,329
	<u>1,374,867</u>	<u>1,015,935</u>	<u>(128,184)</u>	<u>2,262,618</u>	<u>881,878</u>	<u>480,100</u>	<u>(127,555)</u>	<u>1,234,423</u>
Expenses								
Program Services								
Sullivan County Dental	128,184	392,672	(10,000)	510,856	122,481	259,332	(360)	381,453
Tansa Valley	394,006	-	-	394,006	218,379	-	-	218,379
Constituency Education	82,353	-	-	82,353	103,723	-	-	103,723
Mexico and Other Affiliates	81,973	-	-	81,973	78,433	-	-	78,433
Total Program Services	<u>686,516</u>	<u>392,672</u>	<u>(10,000)</u>	<u>1,069,188</u>	<u>523,016</u>	<u>259,332</u>	<u>(360)</u>	<u>781,988</u>
Supporting Services								
Management and general	98,220	128,548	(114,048)	112,720	84,618	136,743	(122,743)	98,618
Fundraising	25,353	4,306	(4,136)	25,523	32,520	4,452	(4,452)	32,520
Total Supporting Services	<u>123,573</u>	<u>132,854</u>	<u>(118,184)</u>	<u>138,243</u>	<u>117,138</u>	<u>141,195</u>	<u>(127,195)</u>	<u>131,138</u>
Total Expenses	<u>810,089</u>	<u>525,526</u>	<u>(128,184)</u>	<u>1,207,431</u>	<u>640,154</u>	<u>400,527</u>	<u>(127,555)</u>	<u>913,126</u>
Increase in Net Assets Without Donor Restrictions from Operations	<u>564,778</u>	<u>490,409</u>	<u>-</u>	<u>1,055,187</u>	<u>241,724</u>	<u>79,573</u>	<u>-</u>	<u>321,297</u>
Non-Operating Activities								
Net investment income	315,348	93	-	315,441	232,556	4,610	-	237,166
Loss on disposal of property and equipment	-	-	-	-	(2,760)	-	-	(2,760)
	<u>315,348</u>	<u>93</u>	<u>-</u>	<u>315,441</u>	<u>229,796</u>	<u>4,610</u>	<u>-</u>	<u>234,406</u>
Increase in Net Assets Without Donor Restrictions	<u>880,126</u>	<u>490,502</u>	<u>-</u>	<u>1,370,628</u>	<u>471,520</u>	<u>84,183</u>	<u>-</u>	<u>555,703</u>
Changes in Net Assets With Donor Restrictions								
Contributions	-	130,000	-	130,000	15,000	130,000	-	145,000
Net assets released from restrictions	<u>(15,000)</u>	<u>(602,671)</u>	<u>-</u>	<u>(617,671)</u>	<u>-</u>	<u>(127,329)</u>	<u>-</u>	<u>(127,329)</u>
Increase (Decrease) in Net Assets With Donor Restrictions	<u>(15,000)</u>	<u>(472,671)</u>	<u>-</u>	<u>(487,671)</u>	<u>15,000</u>	<u>2,671</u>	<u>-</u>	<u>17,671</u>
Increase in net assets	865,126	17,831	-	882,957	486,520	86,854	-	573,374
Net assets, beginning of year	<u>3,766,831</u>	<u>1,075,884</u>	<u>-</u>	<u>4,842,715</u>	<u>3,280,311</u>	<u>989,030</u>	<u>-</u>	<u>4,269,341</u>
Net Assets, End of Year	<u>\$ 4,631,957</u>	<u>\$ 1,093,715</u>	<u>\$ -</u>	<u>\$ 5,725,672</u>	<u>\$ 3,766,831</u>	<u>\$ 1,075,884</u>	<u>\$ -</u>	<u>\$ 4,842,715</u>

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