

ASHAKIRAN, INC.
ASHAKIRAN FOUNDATION, INC.
CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2022

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December 31, 2022

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Independent Auditor's Report

Members of the Board of Directors
AshaKiran, Inc.
AshaKiran Foundation, Inc.
Huntsville, Alabama

Opinion

We have audited the consolidated financial statements of AshaKiran, Inc. and AshaKiran Foundation, Inc. (AshaKiran) which comprises the statement of financial position as of December 31, 2022, and the related consolidated statements of activities, cash flows, functional expenses for the year 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 AshaKiran, as of December 31, 2022, and the results of operations and cash flows for the year then ended in conformity 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit for the Financial Statements section of our report. We are required to be independent of AshaKiran and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing these financial statements, management is required to evaluate whether these are conditions or events, considered in the aggregate, that raise substantial doubt about AshaKiran's ability to continue as a going concern for a time period of at least one year past the date of the auditor's report.

Auditor's Responsibility 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 not absolute assurance, and therefore is not a guarantee that an audit conducted in accordance with Generally Accepted Auditing standards (GAAS) and *Government 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, misrepresentation, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

--Continued--

In performing an audit in accordance with GAAS and *Government 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 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 no for the purpose of expressing and opinion on the effectiveness of AshaKiran'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 AshaKiran'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.

Supplementary Information

Reporting Required by The Uniform Guidance

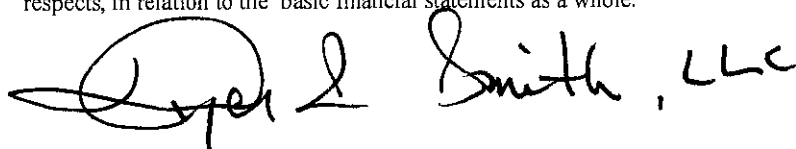
Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Requirements, and Audit Requirements of Federal Awards (Uniform Guidance) and is also not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole. 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 18, 2023 on our consideration of The Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal controls over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of AshaKiran's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering AshaKiran's internal control over financial reporting and compliance.

Additional Information

Our audit was conducted for the purpose of forming an opinion on the consolidated the financial statements that collectively comprise AshaKiran's basic financial statements. The schedule on page 22 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting records and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the additional information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Dyer & Smith, LLC
Huntsville, Alabama
August 18, 2023

ASHAKIRAN, INC.
ASHAKIRAN FOUNDATION, INC.
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
December 31, 2022

ASSETS

	AshaKiran	Foundation	Elimin.	Consolidated
CURRENT ASSETS				
Cash	\$ 186,016	\$ -	\$ -	\$ 186,016
Cash - Board Reserved	304,495	-	-	304,495
Grants and Contracts Receivable - net of allowance of \$-0-	284,031	-	-	284,031
Prepaid expenses	5,405	-	-	5,405
Total Current Assets	779,947	-	-	779,947
PROPERTY AND EQUIPMENT				
Land	200,000	-	-	200,000
Buildings and Improvements	240,709	-	-	240,709
Equipment	226,854	-	-	226,854
Total	667,563	-	-	667,563
Less: Accumulated Depreciation	(53,686)	-	-	(53,686)
Net Property and Equipment	613,877	-	-	613,877
INVESTMENTS				
Quasi Endowment Investments	-	823,907	-	823,907
Total Investments	-	823,907	-	823,907
TOTAL ASSETS	\$ 1,393,824	\$ 823,907	\$ -	\$ 2,217,731

LIABILITIES AND NET ASSETS

	AshaKiran	Foundation	Elimin.	Consolidated
CURRENT LIABILITIES				
Accounts Payable	\$ 8,758	\$ 450	\$ -	\$ 9,208
Accrued Liabilities	2,672	-	-	2,672
Total Current Liabilities	11,430	450	-	11,880
TOTAL LIABILITIES	11,430	450	-	11,880
NET ASSETS				
Without Restrictions	1,382,394	823,457	-	2,205,851
With Restrictions	-	-	-	-
TOTAL NET ASSETS	1,382,394	823,457	-	2,205,851
TOTAL LIABILITIES AND NET ASSETS	\$ 1,393,824	\$ 823,907	\$ -	\$ 2,217,731

The auditors' report and notes are an integral part of these financial statements.

ASHAKIRAN, INC.
ASHAKIRAN FOUNDATION, INC.
CONSOLIDATING STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2022

	AshaKiran			Foundation			Elim.	Consolidated
	Without Restrictions	With Restrictions	Asha Total	Without Restrictions	With Restrictions	Foundation Total		
SUPPORT								
Entitled Support	\$ 1,069,576	\$ -	\$ 1,069,576	\$ -	\$ -	\$ -	\$ -	\$ 1,069,576
Ray of Hope	-	-	-	104,747	-	104,747	-	104,747
Contributions	3,477	-	3,477	-	-	-	-	3,477
Asha Kiran Foundation	11,600	-	11,600	-	-	-	(11,600)	-
Interest and Dividends	4,164	-	4,164	18,942	-	18,942	-	23,106
Program fees	14,804	-	14,804	-	-	-	-	14,804
Unrealized gains / (losses)	(10,913)	-	(10,913)	(67,520)	-	(67,520)	-	(78,433)
Released from Restrictions	-	-	-	-	-	-	-	-
Total Support	1,092,708	-	1,092,708	56,169	-	56,169	(11,600)	1,148,877
REVENUE								
Earned retention credit	115,740	-	115,740	-	-	-	-	115,740
Other income	23,398	-	23,398	-	-	-	-	23,398
Total Revenue	139,138	-	139,138	-	-	-	-	139,138
TOTAL SUPPORT AND REVENUE	1,231,846	-	1,231,846	56,169	-	56,169	(11,600)	1,288,015
FUNCTIONAL EXPENSES								
Program Services	1,127,544	-	1,127,544	19,178	-	19,178	(11,600)	1,072,278
Fund Raising	261	-	261	10,317	-	10,317	-	10,578
Support Services	48,440	-	48,440	-	-	-	-	48,440
TOTAL EXPENSES	1,176,245	-	1,176,245	29,495	-	29,495	(11,600)	1,205,740
CHANGE IN NET ASSETS	55,601	-	55,601	26,674	-	26,674	-	82,275
NET ASSETS AT BEGIN OF YEAR	1,326,793	-	1,326,793	796,783	-	796,783	-	2,123,576
NET ASSETS AT END OF YEAR	\$ 1,382,394	\$ -	\$ 1,382,394	\$ 823,457	\$ -	\$ 823,457	\$ -	\$ 2,205,851

The auditors' report and notes are an integral part of these financial statements.

ASHAKIRAN, INC.
ASHAKIRAN FOUNDATION, INC.
CONSOLIDATING STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2022

	<u>AshaKiran</u>	<u>Foundation</u>	<u>Elim</u>	<u>Total</u>
CHANGE IN NET ASSETS	\$ 55,601	\$ 26,674	\$ -	\$ 82,275
Adjustments to Reconcile Decrease in Net Assets				
To Net Cash Provided By Operating Activities:				
Depreciation	35,098	-	-	35,098
Change in Receivables	(25,424)	-	-	(25,424)
Change in Prepaids	3,609	-	-	3,609
Change in Accrued Liabilities	(18,240)	450	-	(17,790)
Total Adjustments	(4,957)	450	-	(4,507)
Net Cash Provided By Operating Activities	<u>50,644</u>	<u>27,124</u>	<u>-</u>	<u>77,768</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Retirement of assets	(36,875)	-	-	(36,875)
Change in investment	-	(27,124)	-	(27,124)
Purchase of Equipment	(104,790)	-	-	(104,790)
Net Cash Provided By (Used In) Investing Activities	<u>(141,665)</u>	<u>(27,124)</u>	<u>-</u>	<u>(168,789)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Cash Provided By (Used In) Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN CASH	(91,021)	-	-	(91,021)
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>581,532</u>	<u>-</u>	<u>-</u>	<u>581,532</u>
CASH AND CASH EQUIVALENTS - End of Year	<u>\$ 490,511</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 490,511</u>
SUPPLEMENTAL DISCLOSURE:				
Cash Paid for Interest During the Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
DETAIL OF CASH AND CASH EQUIVALENTS:				
Unrestricted	186,016			
Board reserved	<u>304,495</u>			
	<u>\$ 490,511</u>			

The auditors' report and accompanying notes are an integral part of these financial statements.

ASHAKIRAN, INC.
ASHAKIRAN FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

AshaKiran, Inc. (AshaKiran) was founded in 2006 and is dedicated to serving individuals of South Asian and other foreign origins dealing with crises, such as domestic violence and sexual assault, by providing specific culturally sensitive services within the emergency shelter, 24 hour crisis line, as well as training workshops and presentations for other shelters, community organizations, health and legal professional, and first responders. The organization benefits significantly from the dedicated work of volunteers. In November 2019 AshaKiran created AshaKiran Foundation, Inc. (Foundation) A member of the Board of AshaKiran, will also serve on the Board of Directors of Foundation. Foundation will be operated exclusively on behalf of and for the benefit of AshaKiran. The more significant accounting policies of the organization are described below:

Basis of Consolidation

All intercompany transactions and accounts have been eliminated in the consolidated financial statements.

Crisis Intervention Programs

AshaKiran's crisis intervention programs facilitates comprehensive, community-based confidential culturally sensitive services that will educate, empathize and empower underserved individuals and communities. There are several other programs under this main program:

New Alabamians Program – Crisis services are different around the world. To enhance the comfort of culturally diverse Alabamians, it is important to be familiar with the available crisis services in Alabama, especially if there is a language barrier.

Cross-Cultural Awareness Training – Unlike traditional cultural diversity classes, these training workshops provide additional understanding of the various cultural aspects involved when dealing with specific crisis issues, such as domestic violence and other violence. Designed for first responders, healthcare professionals, and other crisis organizations.

Multi-Language Access – Allows survivors to communicate in their own language by providing culturally competent, trauma-informed language providers or other interpreters/translators to serve as their bridge with first responders and other service providers.

Sexual Assault Advocacy Program - Designed to lead organizations to a greater understanding of sexual consent, sexual violence & intimate partner violence within culturally diverse communities.

Developmental Disabilities Awareness – Advocacy, outreach, and increased awareness for developmentally disabled in underserved communities.

Community Outreach – Promotion of all of AshaKiran's services and programs through a variety of communications along with on-site attendance of statewide events.

These, and other programs, operate to address different aspects of crisis intervention to enhance AshaKiran's mission and serve the underserved.

ASHAKIRAN, INC.
ASHAKIRAN FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Basis of Accounting

AshaKiran prepares its financial statements on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

Financial Statement Presentation

AshaKiran has adopted Statement of Financial Accounting Standards “Financial Statement of Not-for-Profit Organization.” The organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without restrictions and net assets with restrictions. In addition, the organization is required to present a statement of cash flows and statement of functional expenses. As permitted by this new statement, the organization has discontinued its use of fund accounting and has, accordingly, reclassified its financial statements to present the two classes of net assets required.

Contributions

All contributions are considered available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with restrictions. Amounts received that are restricted by the donor, the investment income from which is to be used for specified purposes is recorded as net assets with restrictions (See Note 4).

Cash Equivalents

The organization considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents, unless held for reinvestment as part of the investment portfolio, pledged to secure loan agreements or otherwise encumbered.

Income Taxes

AshaKiran is exempt from federal and Alabama income taxes under section 501 (c)(3) of the Internal Revenue Code.

Foundation is exempt from federal and Alabama income taxes under sections 501 (c)(3) and 509 (a)(3) of the Internal Revenue Code as a supporting organization.

Estimates and Functional Allocations of Expenses

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities.

Estimates and Functional Allocations of Expenses – Continued

Functional expenses are allocated based upon estimates made by management. Volunteers contribute significant amounts of time to the fund raising efforts and these costs are not reflected in the accompanying financial statements as contribution support or fund raising expenses. Actual results could vary from the estimates that were assumed in preparing the financial statements.

ASHAKIRAN, INC.
 ASHAKIRAN FOUNDATION, INC.
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2022

NOTE 2 – CASH CONCENTRATIONS

ASHA maintains its cash accounts at several financial institutions. The cash balances are insured by the FDIC or SIPC up to \$250,000 or \$500,000, respectively, per account. A summary of the total cash held at December 31, 2022, is as follows:

	<u>2022</u>
Cash and cash equivalents	\$ 490,511
Outstanding checks	5,772
Foundation quasi - endowment	823,907
Deposits in transit	(500)
Petty Cash	<u>(-0-)</u>
	1,319,690
Cash insured by FDIC / SIPC	<u>1,185,530</u>
Uninsured cash position	<u>\$ 134,160</u>

NOTE 3 – BOARD RESERVED CASH - ASHAKIRAN

Investments in marketable securities with readily determinable fair values are reported at their fair market values in the statement of financial position. At December 31, 2022, investments are as follows:

<u>Description</u>	<u>Market Value</u>	<u>Cost</u>
Cash	\$ 26,325	\$ 26,325
Equity	148,712	141,967
Fixed Income and Other	<u>140,371</u>	<u>136,203</u>
Total	<u>\$ 315,408</u>	<u>\$ 304,495</u>

At December 31, 2022, \$10,913 of unrealized loss is reported in the accompanying statement of activities. The Board of Directors and have set aside \$304,495 of cash for a future shelter, unforeseen program shortfalls and emergency needs.

NOTE 4 – GRANTS RECEIVABLE

Concentrations of Credit Risk

AshaKiran receives a substantial amount of funds in the form of entitlements under contract from various federal, state and local agencies. All of these contracts are subject to the continued availability of funds from these agencies. Accounts receivable at December 31, 2022 are due principally from governmental units and other nonprofit agencies as follows:

VOCA	\$ 106,902
VAWA	7,753
FVPSA	44,109
FVPSA - ARP	49,014
DV Trust	28,436
SASP	12,450
ACADV - General	15,789
ACADV - Direct	7,583
ESG	<u>11,995</u>
Total	<u>\$ 284,031</u>

All receivables are deemed to be collectible in full.

ASHAKIRAN, INC.
ASHAKIRAN FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 5 – PROPERTY, BUILDINGS, EQUIPMENT

Property and equipment is stated at cost. Donated property and equipment is recorded at fair market value at the date of donation. Additions, improvements, and expenditures for repairs and maintenance that significantly add to the productivity or extend the useful life of the asset are capitalized. Other expenses for repairs and maintenance are charged to operations when incurred. Depreciation is calculated using the straight line method based on estimated useful lives of three to thirty nine years. When assets are retired, the assets and related accumulated depreciation are removed from the respective accounts and any profit or loss due to the disposition is credited or charged to income. Buildings, building improvements and vehicles are capitalized. Equipment purchases are subject to a \$2,000 capitalization policy. Depreciation expense charged to functional expenses during the year was \$35,098. (See Note 1).

NOTE 6 – QUASI ENDOWMENT INVESTMENTS – FOUNDATION

Donors have contributed and Foundation has set aside \$823,907 in a quasi endowment fund managed by the Foundation that is charged with maintaining, investing, and reinvesting the assets contributed to and held for endowment at the discretion of the Foundation's Board of Directors. Expendable income from the endowment is to be used as best serves the immediate needs of AshaKiran's operations. In an emergency the Foundation may withdraw funds from the corpus principal on the condition that the corpus is not reduced below \$200,000. Donors were given the opportunity to create a donor restricted fund. However, no donor elected to place restrictions on donations given to the Endowment. However, the State of Alabama has adopted the Uniform Prudent Management of Institutional Funds Act (UPMIFA). Under this relevant law Foundation interpreted UPMIFA to require preservation of the fair value of the original gift as of the gift date of the donor as Board of Directors restricted quasi-endowment absent donor stipulations to the contrary.

Foundation categorizes its assets and liabilities measured at fair value into a three level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair valued hierarchy fiver the highest priority to quoted prices in active markets for identical assets or liabilities (Level I) and the lowest priority to unobservable inputs (Level III). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement. Assets and liabilities at fair valued are categorized based on the inputs to the valuation technique as follows:

ASHAKIRAN, INC.
ASHAKIRAN FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 6 – QUASI ENDOWMENT INVESTMENTS - CONTINUED

Level I – Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that Foundation has the ability to access fair values for these instruments are estimated using pricing models or quoted prices of securities with similar characteristics.

Level II – Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level III – Inputs that are observable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any related market activity. Fair values for these instruments are estimated using appraised values.

Subsequent to initial recognition, Foundation may re-measure the carrying value of assets and liabilities measured on a nonrecurring basis to fair value. Adjustments to fair value usually result when certain assets impaired such assets are written down from their carrying amounts to their fair value.

Professional standards allow entities the irrevocable option to elect to measure certain financial instruments and other items at fair value for the initial and subsequent measurement on an instrument-by-instrument basis. Foundation has not elected to measure any existing financial instrument using the optional method. However, it may elect to measure newly acquired financial instrument at fair value in the future. Fair values are measured using independent pricing models or other model based valuation techniques such as appraised values, adjusted for the security's credit rating, prepayment assumptions, and other factors such as credit loss assumptions. Under promulgated standards of the FASB, Foundation bases its fair value on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It is Foundation's policy to maximize the use of observable inputs and minimize the use of unobservable inputs when developing fair value measurements, in accordance with the fair value hierarchy. Fair value measurement for assets and liabilities where there exists limited or no observable market data and, therefore are based primarily upon management's own estimates are calculated on current pricing policy, the economic and competitive environment, the characteristics of the asset or liability and other factors.

The fair value of Foundation's financial instruments are categorized as Level I at December 31, 2022. There have been no changes in the categorization during 2022.

ASHAKIRAN, INC.
ASHAKIRAN FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 6 – QUASI ENDOWMENT INVESTMENTS - CONTINUED

All Investments in marketable securities with readily determinable fair market values are reported at their fair values in the statement of financial position. A detail of the cost and fair value of investments held at December 31, 2020 is attached as additional information. The summary of Investments held by AshaKiran Foundation are as follows (Detail is presented as additional information):

<u>Description</u>	<u>Cost</u>	<u>Market</u>
Cash and accrued income items	\$218,310	\$218,310
Mutual / closed end / UIT / ETP funds	<u>653,307</u>	<u>605,597</u>
	<u>\$871,617</u>	<u>\$823,907</u>

Total unrealized losses in the current portfolio is \$(47,710) has been recognized as follows: \$(67,520) is included in the statement of activities for the year ended December 31, 2022. \$19,810 in gains in the current portfolio was recognized in 2021 or earlier. Summary of activity in the quasi-endowment fund follows:

<u>Beginning</u>	<u>Contributions</u>	<u>Gains/ (Losses)</u>	<u>Expenses</u>	<u>Ending</u>
\$796,783	\$104,747	\$(48,128)	\$29,495	\$823,907

NOTE 7 – ENTITLED SUPPORT

Contracts with Federal and State Agencies

Several of the contracts in force between AshaKiran and grantors are subject to the federal audit guidelines promulgated by Uniform Guidance. Entitled support recognized during the year ended December 31, 2022 is summarized as follows:

<u>Federal Programs:</u>	
VOCA	\$ 513,232
VAWA	38,679
FVPSA	143,884
FYPSA - Cares	21,923
FYPSA - Cares	27,642
SASP	12,450
SASP	16,937
ESG	25,000
ESG	131,551
ACADV- General	<u>12,937</u>
Total Federal	944,235
<u>State Funds:</u>	
ACADV - Direct	12,884
ADECA – DV Trust	<u>112,457</u>
Total Entitled	\$ <u>1,069,576</u>

ASHAKIRAN, INC.
ASHAKIRAN FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 8 – ASHAKIRAN LIQUIDITY MANAGEMENT

AshaKiran’s financial assets available within one year of the balance sheet date for general expenditures are as follows:

<u>Description</u>	<u>Amount</u>
Cash / cash equivalents - AshaKiran	\$ 490,511
Investments at Foundation	823,907
Accounts receivable, net	<u>284,031</u>
Total liquid assets	\$ <u>1,598,449</u>

AshaKiran’s budget goal for 2022 was \$1,141,475. Social services contracts, that have been renewed into 2023, are \$1,069,576 and represents approximately 94% of the budget. Management does not anticipate liquidity issues beyond December 31, 2022. Management and the Board of Directors are closely monitoring revenue streams and program services. AshaKiran Foundation, Inc. was established to wholly support AshaKiran’s operations.

NOTE 9 – IMPACT OF COVID -19

Management evaluated the recent introduction of the COVID – 19 virus and its impact on ASHA’s liquidity management and has concluded that while it was reasonably possible that the virus could have had a negative impact on budget and mission objectives, the specific impact was not readily determinable as of the date of these financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. However, AshaKiran applied for and was awarded \$115,740 in earned retention credit from the Internal Revenue Service. This amount is reflected in the accompanying financial statements.

NOTE 10 - TAX RELATED UNCERTAINTIES

AshaKiran and Foundation have adopted the provisions of ASC topic 740 - 10 (FASB Interpretation 48), "Accounting for Uncertainty in Income Taxes." The standard provides clarification on accounting for uncertainty in income taxes and prescribes a recognition threshold and measurement attribute for the financial statement recognition, measurement and disclosure of a tax position taken or expected to be taken in a tax return. Examples of uncertainties under the standard are: 1) Tax exempt status, 2) Disallowance or redetermination of various positions related to sources of unrelated business taxable income (UBIT), 3) Penalties for failure to provide required disclosure regarding *quid pro quo* contributions over \$75. There are no unrecognized tax benefits reflected in the accompanying financial statements or positions taken in the tax returns that are believed to be uncertain. Tax years open to examination by the taxing authorities are the years ended December 31, 2022, 2021 and 2020 for AshaKiran and Foundation.

NOTE 11 – COMMITMENTS - LEASES

During 2022, under the terms of a month to month lease of \$1,075 per month, AshaKiran paid \$12,900 in rent to United Way of Huntsville-Madison County for use as an administrative office. In April 2023 AshaKiran entered into a 12 month lease with United Way of Huntsville-Madison County, Inc. for \$1,400 per month that lapses April 30, 2024.

ASHAKIRAN, INC.
ASHAKIRAN FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 12 – DONATED SUPPLIES

Supplies are recorded as contribution support and program expense when an objective measurement basis is available. These items may include, but are not limited to, paper products, non-prescription medical supplies, toys, clothing, small appliances, and other items. It is AshaKiran's policy for the donor to establish value. No donated supplies are reflected in the accompanying financial statements.

NOTE 13 - SUBSEQUENT EVENTS

General Disclosure

In preparing these financial statements, AshaKiran and Foundation evaluated events and transactions for potential recognition or disclosure through the date of the quality review, August 17, 2023, which was the date the financial statements were available and issued. There are no additional events to be recorded or disclosed in the financial statements for the fiscal year ended December 31, 2022.

Dyer & Smith, LLC

Certified Public Accountants

112-F South Side Square

Scottsboro, Alabama 35801

Phone: 256-536-1020, 256-426-1641

Email: tom.dyer@dyerandsmith.com

Fax: 256-536-1030

INDEPENDENT AUDITORS REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To The Officers and Directors
AshaKiran, Inc.
(AshaKiran)
Huntsville, Alabama

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller of the United States, the financial statements of AshaKiran which comprise the consolidating statement of financial position as of December 31, 2022, and the related statements of activities, cash flows, functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered AshaKiran's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of AshaKiran's internal control. Accordingly, we do not express an opinion on the effectiveness of AshaKiran's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements in a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal controls over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal controls over financial reporting that might be material and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses or significant deficiencies that are required to be reported in the schedule of findings and questioned costs.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether AshaKiran’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion of the effectiveness of the entity’s internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in consideration of the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Dyer & Smith, LLC". The signature is stylized and includes a large loop on the left side.

Dyer & Smith, LLC
August 18, 2023

Dyer & Smith, LLC

Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE.

To The Officers and Directors
AshaKiran, Inc.
(AshaKiran)
Huntsville, Alabama

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited AshaKiran's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of AshaKiran's major federal programs for the year ended December 31, 2022. AshaKiran's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, AshaKiran complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller general of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations, Part 200, uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform guidance are further described in the Auditor's responsibilities for the Audit of compliance section of our report.

We are required to be independent of AshaKiran and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance with the compliance requirements referred to above.

Responsibility of Management for Compliance

Management is responsible for the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreement applicable to AshaKiran's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on AshaKiran's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about AshaKiran's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 AshaKiran's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of AshaKiran's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform guidance, but not for the purpose of expressing an opinion on the effectiveness of AshaKiran's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

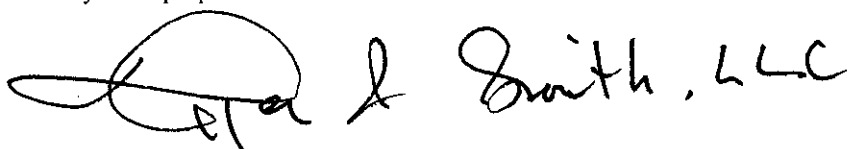
Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis. A significant deficiency in internal control over compliance is a deficiency or combination of deficiencies in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above, and was not designed identify all deficiencies in the internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Dyer & Smith, LLC". The signature is stylized and cursive.

Dyer & Smith, LLC
August 18, 2023

ASHAKIRAN, INC.
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2022

Section I-Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? yes x no

Significant Deficiency(s) identified yes x no

Noncompliance material to financial statements noted? yes x no

Federal Awards:

Internal control over major programs:

Material weakness(es) identified? yes x no

Significant Deficiency(s) identified yes x no

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance? yes x no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
16.575	Crime Victim Assistance

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee, qualified as low risk-auditee? X yes no

ASHAKIRAN, INC.
Schedule of Findings and Questioned Costs - Continued
For the Year Ended December 31, 2022

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

There were no findings or questioned costs in the current year.

ASHAKIRAN, INC.
SCHEDULE OF FEDERAL AWARDS
For the Year Ended December 31, 2022

<u>FEDERAL PROGRAMS</u>				
Federal Grantor/ Pass-Through Grantor/ Program Title	CFDA Number	Pass Through Grant Number	Pass Through Sub-Grantee	Expenses
Department of Justice				
Passed through ADECA				
Crime Victim Assistance	16.575	19-VA-UN-140	-	106,902
Crime Victim Assistance	16.575	22-VA-VS-264	-	406,330
Total Crime Victim Assistance			-	513,232
Department of Justice				
Passed through ADECA				
Violence Against Women Formula Grant	16.588	20-WF-VS-229	-	38,679
Total Violence Against Women			-	38,679
Passed through ACAR				
Battered Womens Shelters Grants to States and Indian Tribes -- CARES	93.671	22-FV-SA-293	-	21,923
Sexual Assault Services Program (SASP)	16.588	22 SA-VS-5	-	12,450
Sexual Assault Services Program (SASP)	16.588	20-SA-VS-84	-	16,937
Total Sexual Assault Services Program			-	29,387
Total Violence Against Women				
Passed through -				
Alabama Coalition Against Domestic Violence				
Temporary Assistance for Needy Families	93.558	23-GF-AP.013	-	5,390
Temporary Assistance for Needy Families	93.558	22-GF-AP.001	-	7,547
Total Temporary Assistance for Needy Families			-	12,937
Department of Health & Human Services				
Passed through ADECA				
Family Violence Prevention & Services / Grants for				
Battered Womens Shelters Grants to States and Indian Ti	93.671	20 FV-VS 007	-	112,885
Battered Womens Shelters Grants to States and Indian Ti	93.671	22 FV-VS 38	-	30,999
Battered Womens Shelters Grants to States and Indian Tribes -- CARES	93.671	22-FV-AR-271	-	27,642
Total Family Violence Prevention & Svcs. Grant			-	171,526
Department of HUD				
Passed through the City of Huntsville CDD				
Emergency Solutions Grant	14.231	HESG - 21-016	-	25,000
Emergency Solutions Grant	14.231	HESG - CV-20	-	131,551
Total Emergency Solutions Grants			-	156,551
Total Federal Programs			\$ -	\$ 944,235

See auditors' report and accompanying notes to schedule of federal awards.

ASHAKIRAN, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

December 31, 2022

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the AshaKiran, Inc. (AshaKiran) under programs of the federal government for the year ended December 31, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of AshaKiran, it is not intended to and does not present the financial position, changes in net assets, or cash flows of AshaKiran.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principle contained in the Uniform Guidance, where certain types of expenditures are not allowable or are limited as to reimbursement.

AshaKiran has elected to forego the 10% di minimis indirect cost rate, as allowed under the Uniform Guidance.

ASHAKIRAN FOUNDATION, INC.
 ADDITIONAL INFORMATION
 For the Year Ended December 31, 2022

SCHEDULE OF QUASI-INVESTMENTS HELD

<u>DESCRIPTION</u>	<u>COST</u>	<u>VALUE</u>
Cash - Progress	\$ 195,019	\$ 195,019
Cash - Merrill Lynch	21,483	21,483
Cash - Blackrock Money Market	1,809	1,808
American Funds Income	7,261	8,481
American Century	15,154	14,898
American Capital Income	7,743	9,377
American Fundamental	11,976	12,394
American New World	14,859	14,563
American Capital World	7,560	8,553
American Washington	11,063	11,658
AMG Yacktman	21,652	18,782
Angel Oak	31,037	26,188
Blackrock Strategic	30,952	29,037
Blackrock Multi	10,358	8,979
DWS Reef global	8,887	9,389
Eaton Vance Duration	31,129	29,238
Eaton Vance Global	31,340	30,187
Fidelity Advisor	6,916	6,842
First Eagle	24,806	23,698
First Eagle US Value	7,243	7,049
First Eagle Gold	11,118	13,951
FRT TRT Val	25,621	24,662
Guggenheim Total	25,885	21,315
Ishares Ibonds 2023	20,035	19,883
Ishares Ibonds 2024	20,028	19,676
J P Morgan Exchange	8,769	8,647
Kopernick International	20,219	17,159
Lord Abbott High Yield	2,583	2,113
Neuberger Berman High	2,733	2,372
Neuberger Berman Equity	14,708	14,817
Pacer US Cash	25,527	25,341
Pacer US Small Cap	25,210	21,399
Pimco Enhanced Short	8,232	8,008
Pimco Commodity Real	38,645	28,774
Pimco Total Return	25,265	20,904
Smead Value	20,801	19,628
SPDR Gold Trust	9,957	10,178
Victory Shares Large	25,632	25,125
Victory Shares Small	25,837	22,228
Vulcan Value Partners	16,565	10,104
TOTAL	<u>\$ 871,617</u>	<u>\$ 823,907</u>

The auditors' report and accompanying notes are an integral part of these financial statements.