

# ISKCON NEW VRINDABAN, INC.

## FINANCIAL STATEMENTS

DECEMBER 31, 2024

RAM ASSOCIATES, CPAs

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# ISKCON NEW VRINDABAN, INC.

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
ISKCON-New Vrindaban Inc.

### **Opinion**

We have audited the accompanying financial statements of ISKCON-New Vrindaban Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ISKCON-New Vrindaban Inc. as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of ISKCON-New Vrindaban Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about ISKCON-New Vrindaban Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an

auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of ISKCON-New Vrindaban Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about ISKCON-New Vrindaban 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.

***Ram Associates***

Ram Associates

Hamilton, NJ

May 16, 2025

# ISKCON NEW VRINDABAN, INC.

## Statement of Financial Position

December 31, 2024

### ASSETS

#### Assets:

Cash and cash equivalents	\$ 1,056,813
Certificates of deposit	346,489
Inventory	1,232,786
Loans and advances	497,372
Land, Property and equipment-net	12,392,240
<b>Total Assets</b>	<b>\$ 15,525,700</b>

### LIABILITIES AND NET ASSETS

#### Liabilities:

Other current liabilities	\$ 469,392
Term loan	3,045,883
<b>Total liabilities</b>	<b>3,515,275</b>

#### Net assets:

Without donor restrictions:	12,010,425
<b>Total Liabilities and Net Assets</b>	<b>\$ 15,525,700</b>

- See accompanying notes to financial statements-

**ISKCON NEW VRINDABAN, INC.**  
**Statement of Activities and Change in Net Assets**  
**For The Year Ended December 31, 2024**

	Without donor restriction	With donor restriction	Total
<b>Revenue, gains and other support</b>			
General contributions	\$ 2,275,798	\$ -	\$ 2,275,798
Book sales	13,494	-	13,494
Lodge income	1,270,769	-	1,270,769
Palace donations	237,078	-	237,078
Festival donations	39,089	-	39,089
Hundi donations	245,292	-	245,292
Restaurant	622,325	-	622,325
Rental income	366,040	-	366,040
Gift shop sales	1,925,061	-	1,925,061
Donations from other non-profit	51,280	-	51,280
Donation	382,805	-	382,805
Royalties and signage fee	432,035	-	432,035
Interest income	37,411	-	37,411
Miscellaneous income	89,073	-	89,073
Reimbursements	968	-	968
<b>Total revenue</b>	<b>7,988,518</b>	<b>-</b>	<b>7,988,518</b>
<b>Expenses</b>			
Program services	4,797,887	-	4,797,887
Supporting services	2,334,863	-	2,334,863
<b>Total Expenses</b>	<b>7,132,750</b>	<b>-</b>	<b>7,132,750</b>
Change in net assets	855,768	-	855,768
Net assets at the beginning of the year	11,154,657	-	11,154,657
<b>Net assets at the end of the year</b>	<b>\$ 12,010,425</b>	<b>\$ -</b>	<b>\$ 12,010,425</b>

- See accompanying notes to financials statements-

# ISKCON NEW VRINDABAN, INC.

## Statement of Functional Expenses

For The Year Ended December 31, 2024

	Program Services	Supporting Services	
	Program Activities	Management and General	Total
Cost of goods sold	\$ 1,133,915	\$ -	\$ 1,133,915
Automobile expense	20,160	83,942	104,102
Advertising and promotion	1,210	14,027	15,237
Books for distribution	76,781	7,833	84,614
Building and property security	19,083	124,856	143,939
Contributions	-	55,000	55,000
Contract labor	30,675	24,491	55,166
Credit card fee	52,899	35,235	88,134
Deity department	38,324	332	38,655
Devotees	454,937	34,987	489,924
Interest expense	-	58,829	58,829
Fees paypal	3,890	3,197	7,088
Festivals	13,582	471	14,053
Flowers	105,219	223	105,442
Fireworks	5,554	-	5,554
Gain or loss on sale of assets	-	14,122	14,122
Gauranitay painting	-	6,974	6,974
Gifts for donors	16,199	-	16,199
Legal and professional expense	10,930	21,162	32,092
Office expenses	110,260	124,801	235,061
Operating expenses	285,989	325,254	611,243
Outside services	13,687	27,773	41,460
Payroll expenses	1,489,365	852,252	2,341,617
Small tools & equipment	23,184	27,072	50,256
Supplies	130,558	109,198	239,756
Square fees	49,582	5,509	55,091
Utilities	19,713	377,323	397,036
Depreciation	692,191	-	692,191
<b>Total Expenses</b>	<b>\$ 4,797,887</b>	<b>\$ 2,334,863</b>	<b>\$ 7,132,750</b>

- See accompanying notes to financial statements-

# ISKCON NEW VRINDABAN, INC.

## Statement of Cash Flows

For The Year Ended December 31, 2024

### Cash flows from operating activities:

Change in net assets	\$ 855,768
Adjustment to reconcile, change in net assets to net cash provided by operating activities:	
Depreciation	692,191
<b>Changes in operating assets and liabilities</b>	
Decrease in certificate of deposits	1,492,373
Increase in inventory	(70,216)
Increase in loans and advances	(236,882)
Decrease in accounts payable and accrued expenses	(147,730)
Increase in other current liabilities	67,963
Total adjustments	<u>1,797,699</u>
Net cash provided by operating activities	<u>2,653,467</u>

### Cash flows from investing activities:

Purchase of property and equipment, net	(2,283,485)
Repayment of term loan	<u>(41,209)</u>
Net cash used in investing activities	<u>(2,324,694)</u>

Net increase in cash and cash equivalents 328,773

Cash and cash equivalents at the beginning of the year 728,040

Cash and cash equivalents at the end of the year \$ 1,056,813

### Supplementary disclosure of cash flows information

#### Cash paid during the year for:

Interest	\$ 58,829
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## **ISKCON NEW VRINDABAN, INC.**

### **Notes to Financial Statements**

**December 31, 2024**

#### **1) ORGANIZATION**

ISKCON NEW VRINDABAN, INC. (INV) is a West Virginia non-profit corporation. The Organization is exempt from income tax under section 501(c)(3) of the Internal Revenue Code. INV was formed for the purpose of organizing, operating, and maintaining a place of worship for the mutual and spiritual benefit of its members, as it may be constituted from time to time. Originally incorporated as ISKCON New Mathura Vrindaban, Inc. there was a change in the name to ISKCON New Vrindaban, Inc. on December 13, 2013.

INV is the first farm community founded in 1968 by disciples of the Founder Acharya of ISKCON, A.C. Bhaktivedanta Swami Prabhupada. Srila Prabhupada envisioned that INV would focus on cow protection, sustainable agriculture, a simple village lifestyle, a place of pilgrimage in the West, a place of higher learning as well as a place where people develop their love for Krishna. INV currently hosts about 250 community members. The Organization is governed by an independent, volunteer Board of Trustees/Directors who oversee the Organization's operations.

#### **GENERAL ACTIVITIES:**

##### **Worship**

Planning and conducting activities of worship and providing service to local and global communities to address needs of the body, mind, and spirit.

##### **Spiritual Growth**

To help organization members grow in faith and Krishna consciousness.

##### **Pilgrims and Visitors' Services:**

Apart from spiritual services, the Organization also provides accommodation and feeding facilities to Pilgrims and visitors.

#### **2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **a) Basis of Accounting.**

These financial statements are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP); consequently, revenue is recognized when services are rendered, and expenses reflected when costs are incurred.

## ISKCON NEW VRINDABAN, INC.

### Notes to Financial Statements

December 31, 2024

#### **b) Financial Statement Presentation**

Net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the Organization's net assets and changes therein are classified and reported as follows:

- Without donor restrictions – net assets that are not subject to donor-imposed restrictions or the donor-imposed restrictions have expired. As reflected in the accompanying financial statements, the Organization's Board of Trustees has designated a portion of these net assets as an endowment fund to perpetually protect the Organizations aims and objectives.
- With donor restrictions – net assets that are subject to donor-imposed restrictions. These include net assets that are subject to time or purpose restrictions and donor restricted endowments. Assets with time or purpose restrictions are satisfied either by the passage of time or by actions of the Organization. Donor restricted endowments must be maintained permanently by the Organization and only the income may be used as specified by the donor.

#### **c) Contributions**

Contributions of cash and cash equivalents are recorded as the actual amount received. Revenue is reported as increases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. If an expense is incurred for a purpose for which net assets with donor restrictions are available, a donor-imposed restriction is fulfilled to the extent of the expense incurred. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as release from restrictions in the consolidated statement of activities. Gains and losses on investments are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by donors or by law.

#### **d) Gas Royalty Income**

Royalty income received from Oil and Gas Companies is recorded in line with Paid-Up Oil and Gas Lease agreement entered into by the Organization. The Organization has leased the land for exploration purposes and has the right to receive royalties equal to 18.75% of the gross proceeds realized by Lessee for all Oil and Gas produced and sold

ISKCON NEW VRINDABAN, INC.

Notes to Financial Statements

December 31, 2024

from the leased premises or a unit in which all or any portion of the leased premises is a part.

**e) Pledges**

The members and devotees promise to contribute to the Organization; however, such promises and pledges are not recognized as revenue unless such pledges are reasonably estimated, and ultimate collection is reasonably assured. Unconditional promises to give are recognized as revenue at fair value when received or pledged.

**f) *Donated Services, Commodities and Gifts-in-Kind***

Donated services are reported as contributions and expenses in amounts equal to their estimated fair value on the date of receipt.

A substantial number of individuals have volunteered significant amount of their time to program and supporting functions; however, these services do not meet the criteria for recognition in accordance with U.S. generally accepted accounting principles and, therefore, are not recorded in the accompanying financial statements.

Gifts-in-kind (GIK) are reported as contributions at their estimated fair value on the date of receipt and reported as expenses when utilized. GIK are values based upon estimates of fair market or wholesale values that would be received for selling the goods in their principal market considering their condition and utility for use at the time the goods are contributed by the donor. Donated GIK are not sold, and goods are only distributed for program use. There are no donated GIK during the year ending December 31, 2024.

Donated commodities are reported at fair value and recognized as revenue and expense when the commodities are distributed for program purposes and received by the recipients.

**g) Functional Expenses**

The Organization allocates expenses on a functional basis among its various programs and supporting services. Expenses that can be identified with a specific program or supporting service are reported accordingly. Other expenses that are common to several functions allocated by various statistical bases which attribute the cost to functional categories. Statistical bases utilized include square footage occupied by business units and estimated time and effort of supporting other functions.

## **ISKCON NEW VRINDABAN, INC.**

### **Notes to Financial Statements**

**December 31, 2024**

The Organization conducts activities related to fundraising that have elements of other functions such as program services, for which expenses are allocated. For the year 2024, the total expenses included in the allocation were \$ 2,385,423 for supporting services and \$ 4,592,762 for program services.

#### **h) Inventory**

Inventory consists of goods in the gift shop which were unsold as of December 31, 2024. Inventory is recorded at cost on purchase, while contributed inventory is recorded at fair value. Inventory is deducted and expensed when used and distributed. The inventory as of December 31, 2024, is \$1,232,786.

#### **i) Allowance for Credit Losses**

The Organization calculates allowance for expected credit losses on its financial assets valued at cost. Expected credit losses include losses expected based on known credit issues with specific accounts, as well as a general expected credit loss allowance based on relevant information, including historical loss rates, current conditions, and reasonable economic forecasts that affect collectability. The Organization updates its allowance for credit losses on a periodic basis with changes in the allowance recognized in income from operations. Allowance for credit losses as of December 31, 2024 was \$0.

#### **j) Cash and Cash Equivalents**

The Organization considers all highly liquid investments (including money market funds) with an original maturity at acquisition of three months or less to be cash equivalents.

#### **k) Use of Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at end date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## ISKCON NEW VRINDABAN, INC.

### Notes to Financial Statements

December 31, 2024

#### l) Advertising Costs

The Organization expenses advertising and promotional costs as and when incurred. Advertising and promotional expenses for the year ended December 31, 2024, were \$15,236.

#### m) Tax Status

Effective September 29, 1994, the Internal Revenue Service determined that, pursuant to Section 501(c) (3) of the Internal Revenue Code (the Code), ISKCON NEW VRINDABAN, INC. is exempt from federal income taxes and is a publicly supported organization, as defined in Section 509(a)(1) of the Code. As a not-for-profit organization, ISKCON NEW VRINDABAN, INC. is also exempt from state and local income taxes.

The Organization follows the guidance of Accounting Standard Codification 740, Income Taxes, related to uncertainties in income taxes, which prescribes a threshold of more likely than not for recognition and derecognition of tax positions taken or expected to be taken in a tax return. The Organization believes it has taken no significant uncertain tax positions.

#### n) Property And Equipment

Property and equipment valued at \$1,000 or greater are recorded at cost if purchased or at fair value on the date of contribution. Depreciation and amortization are computed on a straight- line basis over the estimated useful lives of the respective assets. Capitalizable costs incurred in connection with ongoing capital projects are recorded as systems and construction in progress. These costs will be reclassified into categories and depreciated once placed in service.

Building	40 years
Parsonage	25 years
Building and improvements	20 years
Furniture	7 years
Vehicles	7 years

#### o) Subsequent events:

The Organization has evaluated subsequent events through May 16, 2025, the date which the financial statements were available for issuance.

**ISKCON NEW VRINDABAN, INC.**

Notes to Financial Statements

December 31, 2024

**3) SIGNIFICANT FUNDERS AND CONCENTRATION OF CREDIT RISK**

**Cash**

The Organization financial instruments that are exposed to the concentration of credit risks consist primarily of cash. The Organization maintains its cash in bank accounts, which at times exceed the federally insured limit of \$250,000. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to significant credit risk in cash.

As of December 31, 2024, the Organization had \$ 202,024 uninsured cash balances. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk in cash.

**Gifts, Grants and Contributions:**

The Organization does not have any significant funders, and all programs are conducted based on the general contribution from the public.

**4) PROPERTY AND EQUIPMENT**

Property and equipment as of December 31, 2024, is as follows:

Land	\$ 1,324,869
Building and building improvements	18,433,901
Autos and vans	811,255
Equipment and tools	500,875
Furniture and fixtures	478,046
Software	10,995
<b>Total Property and equipment</b>	<b>21,559,941</b>
Less: Accumulated depreciation	(9,167,701)
<b>Property and equipment, net</b>	<b>\$ 12,392,240</b>

The depreciation expense for the year ended December 31, 2024, was \$ 692,191.

# ISKCON NEW VRINDABAN, INC.

## Notes to Financial Statements

December 31, 2024

### 5) CERTIFICATES OF DEPOSIT

Certificate of deposits at fair value is classified under other current assets in the accompanying financial statements and consisted of the following on December 31, 2024:

Prime Alliance Bank	\$	79,464
Live Oak bank		267,025
Total:	\$	<u>346,489</u>

Interest income for the year ended December 31, 2024 was \$ 37,411.

### 6) LONG-TERM DEBT

The Organization has taken various loans from ECO-Vrindaban Inc. a related party controlled by the name Board of Directors as INV for a total of \$3,265,156. Outstanding loan balance as of December 31, 2024, was \$3,045,883 and the interest expense for the year ended December 31, 2024, was \$ 58,829.

Loans for which the has repayment has started:

Particulars	New Vrindaban Apartment G7G Construction Loan		Apartment Viola Construction loan	Warehouse Loan	Total
Loan Amount	\$ 655,000		\$945,000	\$180,000	
Interest Rate	4.5%		3.50%	3.00%	
Outstanding Balance as on December 31, 2024	\$ 555,771		\$ 922,595	\$ 47,042	
Repayment	Year	Amount	Amount	Amount	
	2025	\$ 16,517	\$ 20,714	\$ 47,032	\$ 84,263
	2026	17,276	21,452	10	38,738
	2027	18,070	22,215	-	40,285
	2028	19,768	23,005	-	42,773
	2029 and thereafter	484,140	835,209	-	1,319,349
	Total	\$ 555,771	\$ 922,595	\$ 47,042	\$ 1,525,408

## ISKCON NEW VRINDABAN, INC.

### Notes to Financial Statements

December 31, 2024

#### Other Loans:

- Royalty sharing loan of \$635,203 with Eco-Vrindaban Inc. The loan carries no interest and must be repaid when ISKCON Vrindaban Inc. has 117 net mineral acres under royalty production. There is no commencement of production, and the Organization expects production to begin in 2025, accordingly the first repayment may happen from 2025 onwards. The payback of the loan is based on 25% of the royalties received from the 117 net mineral acres.
- The Organization received three different loans from Eco-Vrindaban Inc., they are water well loan of \$ 75,000 and Generator loan of \$ 60,000 and pink building removal loan of \$ 7,115. There is no interest on the borrowing amount. The outstanding balance as of December 31, 2024, is \$142,115.
- On October 6, 2022, the Organization entered into a line of credit promissory note agreement with Eco-Vrindaban Inc. to finance the construction of five new housing cabins along Govardhan Road. The agreement provides for borrowings of up to \$748,000 at an interest rate of 5%. As of December 31, 2024, the outstanding balance on the line of credit was \$743,157.

#### 7) FAIR VALUE MEASUREMENTS

The Organization applies GAAP for fair value measurements of financial assets that are recognized or disclosed at fair value in the financial statements on a recurring basis. GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 — inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization can access at the measurement date.

Level 2 — inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 — inputs are unobservable inputs for the asset or liability.



# ISKCON NEW VRINDABAN, INC.

## Notes to Financial Statements

December 31, 2024

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The following table presents assets that are measured at fair value at December 31, 2024:

	Level 1	Level 2	Level 3
Certificate of deposits	-	\$ 346,489	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 346,489</b>	<b>\$ -</b>

### 8) LIQUIDITY AND AVAILABILITY

The Organization regularly monitors liquidity required to meet its operating needs and other financial commitments, while also striving to maximize the investment of its available funds. The Organization maintains a financial resources policy that outlines acceptable investment vehicles for working capital, which includes reserves to be spent in the short-term on current activities, donor restricted funds meant to be spent down over a relatively short period of time to fund programs, and operating cash, which includes gifts without donor restrictions and with restriction or funds for operating needs. The Organization invests available cash needed for its general expenditures, liabilities, and other obligations in short-term investments, specifically interest-bearing checking accounts, money market funds, and money market mutual funds.

Financial assets for general expenditures available within one year from December 31, 2024, are as follows:

Cash and cash equivalents	\$ 1,056,813
Certificate of deposits	<u>346,489</u>
<b>Total</b>	<b><u>\$ 1,403,302</u></b>

### 9) LEGAL MATTERS

Currently the Organization is not involved in any action, arbitration and/or other legal proceedings that it expects to have a material adverse effect on the financial condition, results of operations or liquidity of the Organization. All legal costs are expensed as incurred.