

**SRI RANGANATHA TEMPLE**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2022**

**RAM ASSOCIATES, CPAS**

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## SRI RANGANATHA TEMPLE

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
of Sri Ranganatha Temple

### **Opinion**

We have audited the accompanying financial statements of Sri Ranganatha Temple (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sri Ranganatha Temple as of December 31, 2022, 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 Sri Ranganatha Temple 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 Sri Ranganatha Temple'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 Sri Ranganatha Temple'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 Sri Ranganatha Temple'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

November 30, 2023

**SRI RANGANATHA TEMPLE**  
Statement of Financial Position  
December 31, 2022

**ASSETS**

<b>Current assets:</b>	
Cash and cash equivalents	\$ 2,166,552
Certificate of deposits	1,759,810
Advances	10,500
Investments	1,991
Total current assets	3,938,853
<b>Fixed assets, net</b>	5,469,313
<b>TOTAL ASSETS</b>	<b>\$ 9,408,166</b>

**LIABILITIES AND NET ASSETS**

<b>Current liabilities:</b>	
Accounts payable and accrued expenses	\$ 28,770
Total liabilities	28,770
<b>Net assets:</b>	
<b>With donor restrictions:</b>	
Purpose restricted	380,001
<b>Without donor restrictions:</b>	
Undesignated	8,999,395
Total net assets	9,379,396
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 9,408,166</b>

**SRI RANGANATHA TEMPLE**  
**Statement of Activities**  
**For The Year Ended December 31, 2022**

	Without donor restriction	With donor restriction	<u>Total</u>
<b>Operating revenue</b>			
Donations/contributions	\$ 1,429,355	\$ -	\$ 1,429,355
<b>Total operating revenue</b>	<b>1,429,355</b>	<b>-</b>	<b>1,429,355</b>
<b>Operating expenses</b>			
Program services:			
Puja, education and outreach expenses	212,281	-	212,281
Free food services	77,717	-	77,717
<b>Total program services</b>	<b>289,998</b>	<b>-</b>	<b>289,998</b>
Supporting activities:			
General and administrative expenses	306,364	-	306,364
<b>Total supporting services</b>	<b>306,364</b>	<b>-</b>	<b>306,364</b>
<b>Total operating expenses</b>	<b>596,362</b>	<b>-</b>	<b>596,362</b>
<b>Non-operating activities</b>			
Interest income	9,840	-	9,840
Miscellaneous income	183	-	183
<b>Total non-operating activities</b>	<b>10,023</b>	<b>-</b>	<b>10,023</b>
Change in net assets before depreciation	843,016	-	843,016
Depreciation	184,375	-	184,375
Change in net assets	658,641	-	658,641
Net assets at beginning of the year	8,340,754	380,001	8,720,755
Net assets at end of the year	<b>\$ 8,999,395</b>	<b>\$ 380,001</b>	<b>\$ 9,379,396</b>

- See accompanying notes to financial statements-

**SRI RANGANATHA TEMPLE**  
**Statement of Functional Expenses**  
**For The Year Ended December 31, 2022**

	<b>Program Services</b>	<b>Supporting Services</b>	
	<b>Program Activities</b>	<b>Management and General</b>	<b>Total</b>
Flowers	\$ 67,770	\$ -	\$ 67,770
Maintenance	-	82,560	82,560
Festivals	54,241	-	54,241
Office Expenses	-	54,223	54,223
Operating Expenses	-	14,110	14,110
Professional Fee	-	27,720	27,720
Payroll Expenses	-	99,593	99,593
Insurance	-	28,158	28,158
Prasadam	77,717	-	77,717
Utilities	90,270	-	90,270
<b>Total</b>	<b>\$ 289,998</b>	<b>\$ 306,364</b>	<b>\$ 596,362</b>

- See accompanying notes to financial statements-

**SRI RANGANATHA TEMPLE**  
**Statement of Cash Flows**  
**For The Year Ended December 31, 2022**

<b>Cash flows from operating activities:</b>	
Change in net assets	\$ 658,641
Adjustment to reconcile change in net assets to net cash used in operating activities:	
Depreciation	184,375
<b>Changes in operating assets and liabilities</b>	
(Increase)/Decrease in certificate of deposit	(1,759,810)
Increase / (Decrease) in other liabilities	18,024
<b>Total adjustments</b>	<u>(1,557,411)</u>
<b>Net cash used in operating activities</b>	<u>(898,770)</u>
<b>Cash flows from investing activities:</b>	
Purchase of property and equipment	(681,728)
<b>Net cash used in investing activities</b>	<u>(681,728)</u>
<b>Net decrease in cash and cash equivalents</b>	(1,580,498)
Cash at the beginning of the year	<u>3,747,050</u>
<b>Cash at the end of the year</b>	<u><u>\$ 2,166,552</u></u>
Supplementary disclosure of cash flows information	
Cash paid during the year for	
Interest	\$ -
Income taxes paid	-

- See accompanying notes financial statements-



**Sri Ranganatha Temple**  
**Notes to Financial Statements**  
**December 31, 2022**

**1. ORGANIZATION**

Sri Ranganatha Seva Samithi, Inc or Sri Ranganatha Temple, (the 'Organization') a New York State Non-Profit Corporation and Rockland County Religious Corporation, is an exempt Organization under section 501(c)(3) of the Internal Revenue Code. The organization was formed for organizing, operating, and maintaining a place of worship (Temple) and for the mutual and spiritual benefit of its devotees. The Organization also promotes, fosters, preserves, and propagates the Visishtadvaita philosophy of ultimate salvation of the Hindu religion. The organization is governed by an independent, volunteer board of trustees who oversees the organization's operations. Revenues to support the organization are primarily received from devotees and membership dues received.

**GENERAL ACTIVITIES:**

**Worship and Spiritual Growth**

Planning and conducting activities of worship and providing service to local and global communities to address needs of the body, mind and soul. Various philosophical lectures, self-awareness classes and discourses by prominent preachers are organized for the spiritual growth of its members and devotees.

**Pilgrims and Visitors Services**

Apart from spiritual activities and temple activities, the organization also provides free meals to pilgrims and visitors of the temple every day.

**Community Services**

The organization donates groceries to charitable trusts and orphanages and organizes volunteering by devotees at nearby soup kitchens and food distribution centers. In addition, the organization also makes donations in cash and kind to other temples and not-for-profit organizations for specific charitable purposes.

The organization through its volunteer's conducts 'Balaramam' i.e., classes for children of different ages on slokas and vedic verses. These classes include reciting of verses from Bhagavad-Gita, Valmiki Ramayana, and other religious scriptures.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Basis of Accounting***

These financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America

**Sri Ranganatha Temple**  
**Notes to Financial Statements**  
**December 31, 2022**

(GAAP). Consequently, revenue, other than contributions, is recognized when earned and expense when the obligation is incurred.

***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.

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.

***Board Designated Net Assets***

The board of trustees has established an operating fund from unrestricted net assets. The trustee's goal is to utilize this fund for construction of houses for the priests and digging a bore well to pump water for puja (act of worship) purposes. The temporarily restricted net assets balance as of December 31, 2022, is \$380,001 and the Organization had no permanently restricted net assets as of December 31, 2022.

**Sri Ranganatha Temple**  
**Notes to Financial Statements**  
**December 31, 2022**

***Support and Revenue***

Contributions of cash and cash equivalents are recorded at actual amount. 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.

***Contributed Services***

During the year ended December 31, 2022, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. In addition, many individuals volunteer their time and perform a variety of tasks that assist the organization in meeting its objectives. Various individuals, members and trustees have made significant contributions of their time to develop the organization and its programs. No amounts have been recognized in the accompanying statements of activities and changes in net assets because the criteria for recognition of such efforts under generally accepted accounting principles (GAAP) have not been satisfied.

***Sale of Donated Items***

The organization from time to time sells donated clothes used for worship to its devotees during special occasions like festivals or other major events. All the money received from such sale is deposited in the collection boxes (Hundi).

***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 are 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 supporting other functions. Other represents the aggregate of various other program service and items not individually classified in the accompanying statement of functional expenses due to their varying nature and amount from year to year.

**Sri Ranganatha Temple**  
**Notes to Financial Statements**  
**December 31, 2022**

*Measure of Operation*

The Organization includes in its measure of operations all revenues and expenses that are integral to its program services and supporting services. The measure of operations for the years ended December 31, 2022, includes investment return appropriated for operations.

*Cash and Cash Equivalents*

For the purposes of the financial statements, the organization considers all cash and highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents include all monies deposited in banks, money market funds in brokerage accounts and demand deposits held at the organization. At times, the balance in the account may be more than the FDIC limit of \$250,000. As of December 31, 2022, the uninsured portion of this balance was \$ 1,339,668.

Cash and checks deposited in the Hundi's are opened periodically for counting by the treasurer in the presence of one board of trustee and at least two voluntary visitors to the temple. The trust members and visitors present at the time of opening and counting the cash, checks and other donations in the Hundis sign a collection register maintained by the treasurer. The cash and checks are later deposited in the bank and recognized as contributions. The donations in gold, silver, diamonds, and other precious stones are valued at an estimated fair value as on that date of counting and recorded as assets. The fair value of these items could be significantly different from the cost due to high volatile prices of jewellery items.

*Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reported period. Accordingly, actual results could differ from those estimates.

Management periodically evaluates estimates used in the preparation of the financial statements for continued reasonableness. Appropriate adjustment, if any, to the estimates used are made prospectively based on such periodic evaluations.

**Sri Ranganatha Temple**  
**Notes to Financial Statements**  
**December 31, 2022**

***Significant Funders and Concentration of Credit Risk***

The Organization does not have any significant funders and all programs are conducted based on contributions from members, devotees, and general public. The organization maintains demand deposits, money market funds, and certificates of deposit with financial institutions. At times, certain balances held within these accounts may not be fully guaranteed or insured by the U.S. federal government. The uninsured portions of cash and money market accounts are backed solely by the assets of the underlying institution. As such, the failure of an underlying institution could result in financial loss to the organization.

***Tax Status***

The Organization is generally exempt from federal and state income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization has been determined by the Internal Revenue Service not to be a private foundation. Income, which is not related to exempt purposes, less applicable deductions, is subject to federal and state corporate income taxes. During the year ended December 31, 2022, the Organization had no taxable unrelated business income, and accordingly, no provision for income taxes is required in the accompanying financial statements. The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provisions have been made for income taxes in the accompanying financial statements.

***Investments***

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair value in the statements of financial position. Unrealized gains and losses are included in the change in net assets. As on December 31, 2022 there are no significant unrealized gains and losses that are required to include in the change in net assets.

***Advertising Costs***

The organization expenses advertising cost as and when incurred. Advertising expenses for the year ended December 31, 2022, was Nil.

**Sri Ranganatha Temple**  
**Notes to Financial Statements**  
**December 31, 2022**

**3. FIXED ASSETS**

Property and equipment valued at \$1,000 or greater are recorded at cost or if donated at the approximate fair value at the date of donation. Fixed assets are depreciated on a straight- line basis over their estimated useful lives as follows:

Buildings and barn	35 - 40 years
Land and building improvements	15 - 20 years
Equipment and vehicles	3 - 7 years
Furniture and fixtures	5 - 7 years

**Property and equipment comprise of:**

**Non-depreciable assets**

Land	\$ 619,713
Silver lamps	52,889

Jewelry and ornaments	2,054,094
Vahanams	671,456
Vigrahas	77,336
<b>Sub- total</b>	<b><u>3,475,488</u></b>

**Depreciable assets**

Buildings	3,196,442
Building and land improvements	1,518,328
Elevator system	79,871
Furniture and fixtures	78,499
Chariot	98,566
Brass lamps	4,193
Signage's	7,410
Security and sound system	7,930
Pallaki	31,723
Barn	108,457
<b>Sub- total</b>	<b><u>5,131,419</u></b>
<b>Gross assets</b>	<b><u>8,606,907</u></b>

Accumulated depreciation	<u>(3,137,594)</u>
<b>Net assets</b>	<b><u>\$ 5,469,313</u></b>

The depreciation expense for the year ended December 31, 2022, was \$184,375.

**Sri Ranganatha Temple**  
**Notes to Financial Statements**  
**December 31, 2022**

The Organization has valued all its jewellery, gold, diamonds and other items by an independent graduate gemmologist during 2019 and the fair market value of all the items appraised was valued at \$978,662. The Organization has purchased a gold item valued at \$673,727 during 2022. There were various items that were not appraised by the gemmologist. These items have been recorded in the appraisal report with zero value with detailed description of each item. The value of other jewellery items is valued by the management and these items have been included in the financial statements at book value. These items are included under Property and Equipment.

#### **4. INVENTORY**

The groceries and other kitchen provisions purchased by the organization are expensed and not carried in inventory at end of the year; various other donations of food grains, cereals, spices, deity clothes, kitchen supplies are received by the organization are consumed in the ordinary course of operations and do not form part of the financial statements.

#### **5. FAIR VALUE MEASUREMENTS**

The Organization applies Generally Accepted Accounting Principles (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 has the ability to 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.

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.

**Sri Ranganatha Temple**  
**Notes to Financial Statements**  
**December 31, 2022**

## 6. LEGAL PROCEEDINGS

The Organization expenses all legal costs as incurred and there are no open legal matters as of December 31, 2022.

## 7. 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, 2022, are as follows:

Cash and cash equivalents	\$ 2,166,552
Certificate of deposits	1,759,810
Advances	10,500
Investments	<u>1,991</u>
<b>Total</b>	<b><u>\$ 3,938,853</u></b>

## 8. RECENT ACCOUNTING PRONOUNCEMENTS

- The FASB issued ASU No. 2016-02, Leases (Topic 842) – This guidance is designed to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the statement of financial position and disclosing key information about leasing agreements. This ASU is effective for the year ending December 31, 2022.
- *FASB Accounting Standards Codification (ASC) 958-205, Not-for-Profit Entities – Presentation of Financial Statements*, requires not-for-profits (NFPs) to present contributed nonfinancial assets as a separate line item in the statement activities and provide additional disclosures about contributions of nonfinancial assets. Contributed nonfinancial assets, commonly referred to as gifts-in-kind, include fixed assets (such as land, buildings, and equipment), use of fixed assets



**Sri Ranganatha Temple**  
**Notes to Financial Statements**  
**December 31, 2022**

or utilities, materials and supplies, intangible assets, services, and unconditional promises of those assets. Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets is effective for fiscal years ending on June 30, 2022, and calendar year ending on December 31, 2022.

**9. SUBSEQUENT EVENTS**

For the year ended December 31, 2022, the organization has evaluated subsequent events through November 30, 2023, the date which the financial statements were available to be issued. No reportable subsequent events have occurred through November 30, 2023, which would have a significant effect on the financial statements as of December 31, 2022, except as otherwise disclosed.