

VIVEKANANDA YOGA UNIVERSITY

**FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
AND
INDEPENDENT AUDITORS' REPORT**



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VIVEKANANDA YOGA UNIVERSITY

YEAR ENDED DECEMBER 31, 2024

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INDEPENDENT AUDITORS' REPORT

To The Board of Directors and Management
Vivekananda Yoga University

Opinion

We have audited the accompanying financial statements of Vivekananda Yoga University (a State of California nonprofit organization) (VaYU), which comprise the statement of financial position as of December 31, 2024 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 VaYU 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 VaYU 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 VaYU'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 VaYU'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 VaYU'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.

Bankole, Okoye & Associates PC

Houston, Texas
May 20, 2025

AUDITED FINANCIAL STATEMENTS

VIVEKANANDA YOGA UNIVERSITY
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024

ASSETS

Cash	\$ 205,207
Tuition and related fees receivable (net of allowance for doubtful receivables of \$11,720)	6,395
Related party receivable	112,000
Employee salary advance	24,107
Other receivable	14,023
Prepaid expenses	24,323
Property and equipment, net	<u>11,662</u>
TOTAL ASSETS	<u>\$ 397,717</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable and accrued expenses	<u>\$ 42,823</u>
Total liabilities	<u>42,823</u>

NET ASSETS

Without donor-restrictions	<u>354,894</u>
Total net assets	<u>354,894</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 397,717</u>

The accompanying notes are an integral part of the financial statements.

VIVEKANANDA YOGA UNIVERSITY
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

REVENUES

Tuition and related fees (net of discounts and scholarships of \$8,401)	\$ 235,016
Contributions	509,750
Other income	<u>2,008</u>
TOTAL REVENUES	<u><u>746,774</u></u>

EXPENSES

Program activities:

Instructional	131,374
Academic support	<u>403,542</u>
Total program activities	<u><u>534,916</u></u>

Support activities:

Institutional support	<u>154,952</u>
Total support activities	<u><u>154,952</u></u>

TOTAL EXPENSES	<u><u>689,868</u></u>
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CHANGE IN NET ASSETS	56,906
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NET ASSETS, BEGINNING OF YEAR	<u>297,988</u>
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NET ASSETS, END OF YEAR	<u><u>\$ 354,894</u></u>
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The accompanying notes are an integral part of the financial statements.

VIVEKANANDA YOGA UNIVERSITY
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023

	Program Activities			Support Activities	
	Instructional	Academic Support	Total Program Activities	Institutional Support	Total Expenses
Salaries	\$ 72,676	\$ 302,564	\$ 375,240	\$ -	\$ 375,240
Payroll taxes	-	24,030	24,030	-	24,030
Total personnel expenses	72,676	326,594	399,270	-	399,270
Academic and related expenses	58,698	2,256	60,954	2,632	63,586
Services and supplies	-	-	-	15,386	15,386
Professional fees	-	16,000	16,000	63,705	79,705
Advertising and promotions	-	-	-	12,355	12,355
Bank charges and other service fees	-	-	-	55,048	55,048
Insurance	-	-	-	929	929
Travel	-	31,520	31,520	-	31,520
Bad debts	-	11,720	11,720	-	11,720
Repairs and maintenance	-	-	-	150	150
Other expenses	-	-	-	4,747	4,747
Depreciation	-	15,452	15,452	-	15,452
Total non-personnel expenses	58,698	76,948	135,646	154,952	290,598
TOTAL EXPENSES	\$ 131,374	\$ 403,542	\$ 534,916	\$ 154,952	\$ 689,868

The accompanying notes are an integral part of the financial statements.

VIVEKANANDA YOGA UNIVERSITY
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 56,906
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	15,452
Allowance for doubtful tuition receivables	11,720
Changes in operating assets and liabilities:	
Tuition and related fees receivable	(17,925)
Employee salary advance	(24,107)
Other receivable	(7,854)
Prepaid expenses	(5,553)
Accrued expenses and other payables	25,972
Total adjustments	<u>(2,295)</u>
Net cash provided by operating activities	<u>54,611</u>
NET INCREASE IN CASH	54,611
CASH, BEGINNING OF YEAR	<u>150,596</u>
CASH, END OF YEAR	<u><u>\$ 205,207</u></u>

The accompanying notes are an integral part of the financial statements.

VIVEKANANDA YOGA UNIVERSITY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Purpose

Vivekananda Yoga University (VaYU) is a 501(c)(3) tax-exempt organization incorporated in the State of California on April 7, 2014. VaYU is the world's first Yoga university outside of India on graduate (Master of Science) Yoga education and research. VaYU offers optional tracks to enable students to specialize in Yoga Therapy, Yoga Research, or Yoga Philosophy. Students in any specialization can optionally finish a clinical component and qualify for Certificate of International Association of Yoga Therapists.

VaYU is primarily supported through tuitions and fees paid by students and through donations by individuals, private foundations, and corporations.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and, accordingly, reflect all significant receivables, payables, and other liabilities. The accrual basis of accounting requires revenues to be recognized when earned and expenses to be recognized when incurred.

Basis of Presentation

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

Net Assets Without-Donor Restrictions – These are resources that are not subject to donor-imposed stipulations and are available for use in general operations. A portion of such net assets could be designated by the board of directors or by other internal instruments such as bylaws, for specified purposes. Net assets without-donor restrictions as of December 31, 2024 was \$354,894. There were no designated without-donor restricted net assets as of December 31, 2024.

Net Assets With-Donor Restrictions – These are resources that are restricted by donor-imposed stipulations. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the actions of the entity, the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. There were no with-donor-restricted net assets as of December 31, 2024.

VaYU is also required by the Accounting Standards Codification (ASC) Topic 958-230, *Not-for-Profit Entities - Statement of Cash Flows*, to present a statement of cash flows.

VIVEKANANDA YOGA UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

Revenue Recognition

Tuition and Fees:

VaYU charges tuition and fees for a variety of educational services it provides to its students. VaYU accounts for the underlying contracts with the students when both parties have approved the contract and are committed to performing their respective obligations in accordance with its class registration, cancellation, and tuition refund policies. Transaction prices for tuition and fees are determined based on the applicable pricing schedules for classes in each academic semester. VaYU recognizes revenue from tuition and fees when earned (i.e., based upon when the performance obligations are met by both VaYU and the students). Tuition and fees contracts are considered to have a duration of one academic semester. Deposits and prepayments of tuition and fees are recorded as unearned revenue until the criteria are met for them to be recognized as tuition and fees revenue. Tuition is reported in the financial statements net of discounts and scholarships.

Unconditional and Conditional Contributions:

Unconditional contributions are recognized on an accrual basis.

In accordance with FASB's ASC Topic 958-605, *Not-for-Profit Entities – Revenue Recognition*, unconditional contributions received by VaYU are recorded as increases in net assets without-donor restrictions or net assets with-donor restrictions depending on the existence and nature of any donor restrictions.

Contributions with-donor restrictions are reported as increases in net assets with-donor restrictions. Contribution that is restricted by the donor is reported as an increase in net assets without-donor restrictions if the restriction expires in the reporting period in which the contribution is received. All other donor-restricted contributions are reported as increases in net assets with-donor restrictions, depending on the nature of the restriction. When a restriction expires, net assets with-donor restrictions are reclassified to net assets without-donor restrictions and reported in the statement of activities as net assets released from restrictions. When both restricted and unrestricted resources are available for use for the same purpose, it is VaYU's practice to use restricted resources first, then unrestricted resources as they are needed.

Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. VaYU did not have any conditional promises to give as of December 31, 2024.

VIVEKANANDA YOGA UNIVERSITY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

Cash

Cash represents the total of \$117,462, which was fully insured by the Federal Deposit Insurance Corporation, in a checking account maintained at a bank, uninsured balance of \$86,896 in two non-banking institutions, and petty cash balance of \$849, at December 31, 2024. \$2,916 and \$83,980 of the cash balances in non-banking institutions were deposited into checking account on January 2, 2025, and February 3, 2025, respectively. Cash balance at December 31, 2024 closely approximates its fair value.

Property and Equipment

Property and equipment, consisting of library holdings, are generally recorded at cost or, if donated, at their estimated fair value at the date of donation. VaYU capitalizes expenditures of \$1,500 or greater for each unit of property and equipment or a set of long-lived items acquired together (whether purchased or donated). Property and equipment are depreciated using the straight-line method based on their estimated useful lives ranging from 3 to 5 years. Maintenance and repairs are charged to operations when incurred.

Use of Estimates and Assumptions

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities as of the date of the financial statements and the reported revenues and expenses during the reporting period. Estimates are used in preparing the financial statements for allocating costs among functional categories. Actual results could differ from estimates.

Federal Income Tax Status

VaYU is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code (the "Code"). However, income over \$1,000 from unrelated business activities is subject to tax under Section 511 of the Code. VaYU did not have unrelated business taxable income in the year ended December 31, 2024, and accordingly, no provision for income taxes has been made in the financial statements. In addition, the Internal Revenue Service has determined that VaYU is a public charity under Section 170(b)(1)(A)(ii) of the Code.

Management has evaluated VaYU's tax positions and concluded that VaYU has not taken uncertain tax positions that require disclosure and that revenues recorded in the statement of activities have been properly classified as exempt for the year ended December 31, 2024.

VaYU files Form 990, *Return of Organization Exempt from Income Tax*, with the IRS annually and the tax returns for tax years 2021, 2022 and 2023 could still be examined by the Internal Revenue Service.

VIVEKANANDA YOGA UNIVERSITY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

Functional Allocation of Expenses

The costs of providing programs and other activities have been summarized on a functional basis in the statement of functional expenses and in the statement of activities. Costs that are directly identifiable to a functional classification are charged directly to the function. Costs related to more than one function are allocated amongst functions on the basis of estimates of time and efforts determined by management.

VaYU's primary functional expense classifications include the following:

- a. **Instructional** - This category includes expenses for all activities that are part of the VaYU's instructional program such as expenses for credit and noncredit courses; academic, vocational, and technical instruction; remedial and tutorial instruction; regular, special, and extension sessions; and instructional activities that are associated with academic offerings.
- b. **Research** - This category includes all expenses for activities specifically organized to produce research, whether commissioned by VaYU or external organizations.
- c. **Academic Support** - This category includes expenses incurred to provide support services for VaYU's primary missions: instruction, research, and public service.
- d. **Student Services** - This category includes expenses incurred for offices of admissions and the registrar as well as any activities with the primary purpose of providing assistance and support to the needs and interests of students such as counseling and career guidance, student aid administration, and student services information technology administration.
- e. **Institutional Support** - This category includes expenses for central, executive-level activities concerned with management and long-range planning for VaYU as an entity, such as the governing board, planning and programming operations, and legal services; fiscal operations, including the investment office; administrative information technology (when not accounted for in other categories); space management; personnel and records; logistical activities and other support services.
- f. **Public Services** - This category includes expenses for activities established primarily to provide non-instructional services that are beneficial to individuals and groups external to VaYU, such as community service programs, conferences, and consulting.

2. LIQUIDITY AND AVAILABILITY

VaYU's financial assets that are available for general expenditures within one year of the date of the statement of financial position are as follows:

Cash	\$	205,207
Tuition and related fee receivable		24,107
Employee salary advance		6,395
Other receivable		14,023
		<hr/>
Total	\$	<u>249,732</u>

VaYU monitors its available liquidity resources from time to time to be able to meet its operating and contractual obligations as they arise in the course of the operating year.

VIVEKANANDA YOGA UNIVERSITY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

3. PROPERTY AND EQUIPMENT

Property and equipment as of December 31, 2024 is summarized below:

Library holdings	\$	60,450
Accumulated depreciation		<u>(48,788)</u>
Property and equipment, net	\$	<u>11,662</u>

Depreciation for the year ended December 31, 2024 was approximately \$15,452.

4. RELATED PARTY RECEIVABLE AND RELATED PARTY TRANSACTIONS

In 2022, VaYU made a cash advance of \$112,000 to its president, who is also a member of the board, to be repaid in 36 equal monthly instalments starting from January 1, 2025 through December 31, 2028.

The president received approximately \$175,000 in compensation from VaYU during the year ended December 31, 2024.

In addition, the provost, who is also the vice chair of the board, was paid a total of approximately \$70,000 as compensation for the year ended December 31, 2024.

5. SUBSEQUENT EVENTS

Management evaluated subsequent events through May 20, 2025, the date the financial statements were available to be issued, and concluded there were no events or transactions that occurred subsequent to December 31, 2024 that would require recognition or disclosure in the financial statements.