

FINANCIAL STATEMENTS



**CENTRAL
ASIA
INSTITUTE**

**FOR THE YEAR ENDED SEPTEMBER 30, 2024
WITH SUMMARIZED FINANCIAL
INFORMATION FOR 2023**

CENTRAL ASIA INSTITUTE

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Central Asia Institute
Bozeman, Montana

Opinion

We have audited the accompanying financial statements of Central Asia Institute (CAI), which comprise the statement of financial position as of September 30, 2024, and the related statements of activities and change in net assets, 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 CAI as of September 30, 2024, and the change 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 CAI 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 the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about CAI'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.

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MEMBER OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS' PRIVATE COMPANIES PRACTICE SECTION

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, including omissions, 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 CAI'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 CAI's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited CAI's 2023 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated March 28, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.



April 2, 2025

CENTRAL ASIA INSTITUTE
STATEMENT OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2024
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2023

ASSETS

	<u>2024</u>	<u>2023</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 629,410	\$ 699,351
Investments	7,364,924	7,119,299
Grant receivable	7,500	-
Prepaid expenses and other assets	<u>36,171</u>	<u>53,718</u>
Total current assets	<u>8,038,005</u>	<u>7,872,368</u>
PROPERTY AND EQUIPMENT		
Land	147,200	147,200
Buildings and improvements	513,549	490,054
Equipment	<u>32,734</u>	<u>32,734</u>
	693,483	669,988
Less: Accumulated depreciation	<u>(237,474)</u>	<u>(217,634)</u>
Net property and equipment	<u>456,009</u>	<u>452,354</u>
TOTAL ASSETS	<u>\$ 8,494,014</u>	<u>\$ 8,324,722</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 108,460	\$ 81,448
Grants payable	28,495	51,069
Refundable advances	<u>10,000</u>	<u>1,359</u>
Total liabilities	<u>146,955</u>	<u>133,876</u>
NET ASSETS		
Without donor restrictions		
Undesignated	7,417,385	6,807,677
Board designated for Pioneer Fund	<u>-</u>	<u>445,000</u>
Total without donor restrictions	7,417,385	7,252,677
With donor restrictions	<u>929,674</u>	<u>938,169</u>
Total net assets	<u>8,347,059</u>	<u>8,190,846</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 8,494,014</u>	<u>\$ 8,324,722</u>

CENTRAL ASIA INSTITUTE

**STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED SEPTEMBER 30, 2024
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2023**

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total
SUPPORT AND REVENUE				
Contributions	\$ 1,934,113	\$ 413,678	\$ 2,347,791	\$ 2,567,383
Net investment return	1,306,126	-	1,306,126	832,009
Contributed nonfinancial assets	1,963	-	1,963	3,194
Other revenue	40,831	-	40,831	7,024
Net assets released from donor restrictions	<u>422,173</u>	<u>(422,173)</u>	<u>-</u>	<u>-</u>
Total support and revenue	<u>3,705,206</u>	<u>(8,495)</u>	<u>3,696,711</u>	<u>3,409,610</u>
EXPENSES				
Program Services:				
Global Outreach Program	225,322	-	225,322	230,829
Overseas Education and Projects	<u>2,531,923</u>	<u>-</u>	<u>2,531,923</u>	<u>2,528,205</u>
Total program services	<u>2,757,245</u>	<u>-</u>	<u>2,757,245</u>	<u>2,759,034</u>
Supporting Services:				
General and Administration	384,477	-	384,477	393,146
Fundraising	<u>398,776</u>	<u>-</u>	<u>398,776</u>	<u>366,257</u>
Total supporting services	<u>783,253</u>	<u>-</u>	<u>783,253</u>	<u>759,403</u>
Total expenses	<u>3,540,498</u>	<u>-</u>	<u>3,540,498</u>	<u>3,518,437</u>
Change in net assets	164,708	(8,495)	156,213	(108,827)
Net assets at beginning of year	<u>7,252,677</u>	<u>938,169</u>	<u>8,190,846</u>	<u>8,299,673</u>
NET ASSETS AT END OF YEAR	\$ <u>7,417,385</u>	\$ <u>929,674</u>	\$ <u>8,347,059</u>	\$ <u>8,190,846</u>

CENTRAL ASIA INSTITUTE

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2024
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2023

	2024						2023
	Program Services			Supporting Services			
	Global Outreach Program	Overseas Education and Projects	Total Program Services	General and Administration	Fundraising	Total Supporting Services	Total Expenses
Overseas education and community health grants	\$ -	\$ 2,105,557	\$ 2,105,557	\$ -	\$ -	\$ -	\$ 2,105,557
Personnel costs	115,552	300,594	416,146	212,481	286,677	499,158	915,304
Professional fees	60,347	41,990	102,337	77,696	13,110	90,806	193,143
Fees, permits and memberships	124	42,416	42,540	1,119	33,194	34,313	76,853
Technology	10,766	4,785	15,551	14,483	14,066	28,549	44,100
Occupancy	3,510	7,550	11,060	19,634	7,725	27,359	38,419
Publications	21,696	-	21,696	-	16,722	16,722	38,418
Insurance	-	8,250	8,250	28,938	-	28,938	37,188
Travel	2,967	15,740	18,707	(76)	13,132	13,056	31,763
Depreciation	-	-	-	19,840	-	19,840	19,840
Postage and delivery	6,254	662	6,916	1,073	11,717	12,790	19,706
Equipment	822	3,970	4,792	4,599	1,809	6,408	11,200
Office supplies	-	309	309	4,690	256	4,946	5,255
Event	2,897	-	2,897	-	353	353	3,250
Advertising and promotion	387	100	487	-	15	15	502
TOTAL	\$ 225,322	\$ 2,531,923	\$ 2,757,245	\$ 384,477	\$ 398,776	\$ 783,253	\$ 3,540,498
							\$ 3,518,437

See accompanying notes to financial statements.

CENTRAL ASIA INSTITUTE

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2024
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 156,213	\$ (108,827)
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation	19,840	18,599
Unrealized gain on investments	(985,519)	(718,930)
Realized (gain) loss on sales of investments	(78,472)	128,317
(Increase) decrease in:		
Grant receivable	(7,500)	-
Advances to grantees	-	141,342
Prepaid expenses and other assets	17,547	(1,384)
Increase (decrease) in:		
Accounts payable and accrued liabilities	27,012	(14,979)
Grants payable	(22,574)	(2,453)
Refundable advances	<u>8,641</u>	<u>(10,936)</u>
Net cash used by operating activities	<u>(864,812)</u>	<u>(569,251)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of fixed assets	(23,495)	-
Purchases of investments	(3,568,494)	(4,763,701)
Proceeds from sales of investments	<u>4,386,860</u>	<u>5,614,829</u>
Net cash provided by investing activities	<u>794,871</u>	<u>851,128</u>
Net (decrease) increase in cash and cash equivalents	(69,941)	281,877
Cash and cash equivalents at beginning of year	<u>699,351</u>	<u>417,474</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 629,410</u>	<u>\$ 699,351</u>

CENTRAL ASIA INSTITUTE
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

Central Asia Institute (CAI) is a non-profit organization, incorporated in the State of Delaware and located in Bozeman, Montana. CAI's mission is to advance education and livelihood skills, especially for girls and women, in the remote and mountainous regions of Afghanistan, Pakistan and Tajikistan.

Program services -

CAI's programs focus on increasing access to quality education and developing livelihood skills, especially for girls and women in the remote and mountainous regions of Afghanistan, Pakistan and Tajikistan. Efforts to improve access to education include supporting community-based education for out-of-school children, teacher salaries, student scholarships and school building renovations. Efforts to improve the quality of education include teacher training and providing teaching and learning materials, particularly for science, mathematics and computer curricula. CAI supports training in entrepreneurship to support women in establishing small businesses and accessing employment opportunities. CAI's global outreach raises awareness of the importance of education, literacy and cross-cultural understanding via our website, public events, publications and the Pennies for Peace program.

Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) related to nonprofit entities. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions. Descriptions of the two net asset categories are as follows:

- **Net Assets Without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Net assets set aside solely through the actions of the Board are referred to as Board Designated and are also reported as net assets without donor restrictions.
- **Net Assets With Donor Restrictions** - Net assets may be subject to donor-imposed stipulations that are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue without donor restrictions when the assets are placed in service.

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with CAI's financial statements for the year ended September 30, 2023, from which the summarized information was derived.

CENTRAL ASIA INSTITUTE
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)

Cash and cash equivalents -

CAI considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents. Bank deposit accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a limit of \$250,000. At times during the year, CAI maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

Investments -

Investments are recorded at their readily determinable fair value. Interest, dividends, realized and unrealized gains and losses are included in net investment return, which is presented net of investment expenses paid to external investment advisors, in the accompanying Statement of Activities and Change in Net Assets.

Investments acquired by gift, such as donated securities, are recorded at their fair value at the date of the gift. CAI's policy is to liquidate all gifts of investments as soon as possible after the gift.

Grant receivable -

Grant receivable include unconditional promises to give that are expected to be collected in future years. Grant receivables are recorded at their fair value, which is measured as the present value of the future cash flows. All grants receivable are considered by management to be fully collectable. Accordingly, an allowance for doubtful accounts has not been established.

Property and equipment -

Property and equipment in excess of \$5,000 are capitalized and stated at cost. Property and equipment are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally 3 to 39 years. The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation expense for the year ended September 30, 2024 totaled \$19,840.

Income taxes -

CAI is exempt from Federal income tax under Section 501(a) of the Internal Revenue Code ("IRC"), as an organization described in IRC Section 501(c)(3). Accordingly, no provision for income taxes has been made in the accompanying financial statements. CAI is not a private foundation.

CAI invests in limited partnership investments which could result in investment income that would be classified as unrelated business income; the limited partnership investments did not report any taxable gains in 2024, accordingly, a provision for income taxes was not accrued in the accompanying financial statements.

Impairment of long-lived assets -

Management reviews asset carrying amounts whenever events or circumstances indicate that such carrying amounts may not be recoverable. When considered impaired, the carrying amount of the assets is to its current value, and a loss is reported in the Statement of Activities and Change in Net Assets, to its current fair value.

CENTRAL ASIA INSTITUTE
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)

Contributions -

Contributions include contributions from individuals, foundations and other entities. Contributions are recognized in the appropriate category of net assets in the period received. CAI performs an analysis of the individual contribution agreement to determine if the funding stream follows the contribution rules or if it should be recorded as an exchange transaction depending upon whether the transaction is deemed reciprocal or nonreciprocal in accordance with ASC Topic 958.

Support from contributions is recognized upon notification of the award and satisfaction of all conditions, if applicable. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions, including grants qualifying as contributions, that are unconditional but have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor imposed restrictions and satisfaction of time restrictions. Contributions with donor restrictions either in excess of expenses incurred or with time restrictions are shown as net assets with donor restrictions in the accompanying financial statements. Contributions that are both received and released from restrictions in the same year are classified as without donor restrictions.

Conditional contributions contain a right of return and a measurable barrier. Contributions are recognized when conditions have been satisfied. Conditional contributions received in advance of meeting specified conditions established by donors are recorded as refundable advances. CAI's refundable advances totaled \$10,000 as of September 30, 2024.

In addition, CAI may obtain funding source agreements related to conditional contributions, which will be received in future years. However, CAI had no conditional contributions to be received in future years as of September 30, 2024.

Contributed nonfinancial assets -

Contributed nonfinancial assets are recorded at their fair value as of the the date of the gift and consist primarily of professional services.

Use of estimates -

The preparation of the 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 at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Advertising -

CAI expenses advertising costs as incurred. Advertising expense was \$502 for the year ended September 30, 2024.

Functional allocation of expenses -

The costs of providing CAI's programs and supporting activities have been summarized on a functional basis in the Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses directly attributed to a specific functional area are reported as direct expenses within that functional area and expenses that benefited more than one functional area are allocated on a basis of estimated time and effort or other reasonable basis.

CENTRAL ASIA INSTITUTE
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)

Grants expense -

CAI awards grants to local organizations in Pakistan, Tajikistan and Afghanistan. As CAI transfers funds to grantees, it records those funds as advances (asset) in the accompanying Statement of Financial Position. As grantees successfully incur and report qualifying expenditures to CAI, those advances are reduced and are recorded as current period expense. Any funds not expensed in accordance with the requirements stipulated in the grant agreements are either de-obligated or refunded back to CAI.

Investment risks and uncertainties -

CAI invests in various investment securities. Investment securities are exposed to various risks such as interest rates, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

2. INVESTMENTS AND FAIR VALUE MEASUREMENTS

In accordance with FASB ASC 820, *Fair Value Measurement*, CAI has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Investments recorded in the Statement of Financial Position are categorized based on the inputs to valuation techniques as follows:

Level 1. These are investments where values are based on unadjusted quoted prices for identical assets in an active market CAI has the ability to access.

Level 2. These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

Level 3. These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodologies used and there were no transfers between levels in the fair value hierarchy during the year ended September 30, 2024. Transfers between levels are recorded at the end of the reporting period, if applicable.

- *U.S. and International Mutual Funds and ETFs* - Valued at the closing price reported in the active market in which the individual securities are traded.
- *U.S. Fixed Income* - Fair value is based upon current yields available on comparable securities of issuers with similar ratings, the security's terms and conditions, and interest rate and credit risk.

CENTRAL ASIA INSTITUTE

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

2. INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)

US GAAP permits, as a practical expedient, the fair value of investments within scope to be estimated using the net asset value (NAV) or its equivalent. NAV or its equivalent is the value per share or value of ownership interest in partner's capital, as provided by the fund, whose financial statements are prepared in a manner consistent with measurement principles of an investment company or that have the attributes of an investment company. In many instances, NAV will not equal fair value that would be calculated pursuant to the Fair Value Measurement Topic.

The fair value amounts presented in the tables below are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Statement of Financial Position. Following is a description of those alternative investments:

Following is a description of the alternative investment held by CAI:

- *Debt Investment Funds - Alpha (Limited Partnership Interest)*: Amounts within this fund are invested with one manager (i) King Street: European credit opportunities and global credit opportunities that include such strategies as distressed, stressed and out-of-favor situations, shorting of investment grade and high yield debt, capital structure trades, and deep value trades; this manager creates an attractive mix of strategic investments in high-yield and distressed debt on a global basis. These credit investments have the potential to deliver near equity-type returns, but with less risks than pure long-only equity exposure.

The table below summarizes investments, which are measured at fair value on a recurring basis, by level within the fair value hierarchy as of September 30, 2024:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Asset Class:				
U.S. Mutual Funds and ETFs	\$ 2,892,693	\$ -	\$ -	\$ 2,892,693
International Mutual Funds and ETFs	833,460	-	-	833,460
U.S. Fixed Income	<u>3,630,685</u>	<u>-</u>	<u>-</u>	<u>3,630,685</u>
TOTAL	<u>\$ 7,356,838</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,356,838</u>

The following is a summary of the investments valued using NAV as a practical expedient and the related unfunded commitments and redemption restrictions associated with the investment at September 30, 2024:

	<u>Net Asset Value</u>	<u>Unfunded Commitments</u>	<u>Partial Redemption Notice Frequency/Period</u>	<u>Full Redemption Notice Frequency/Period</u>
Alternative Investments:				
Debt Investment Funds - Alpha	<u>\$ 8,086</u>	<u>\$ -</u>	Quarterly	65 days

Net investment return consisted of the following for the year ended September 30, 2024:

Interest and dividends	\$ 276,928
Unrealized gain on investments	985,519
Realized gain on sales of investments	78,472
Investment fees	<u>(34,793)</u>
NET INVESTMENT RETURN	<u>\$ 1,306,126</u>

CENTRAL ASIA INSTITUTE

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2024

3. BOARD DESIGNATED NET ASSETS

Net assets without donor restrictions totaling \$445,000 were designated by the Board of Directors for the "Pioneer Fund", which was established to provide innovative projects and related program delivery. During the year ended September 30, 2024, the Board of Directors approved the dissolution of the Pioneer Fund and accordingly those net assets are currently available for general operating purposes.

4. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at September 30, 2024:

Subject to Expenditure for Specified Purpose:	
Overseas Education and Projects	\$ <u>929,674</u>

The following net assets with donor restrictions were released from donor restrictions by incurring expenses (or through the passage of time) which satisfied the restricted purposes specified by the donors:

Purpose Restrictions Accomplished:	
Overseas Education and Projects	\$ <u>422,173</u>

5. LIQUIDITY AND AVAILABILITY

Financial assets available for use for general expenditures within one year of the Statement of Financial Position date comprise the following:

Cash and cash equivalents	\$ 629,410
Investments	7,364,924
Grant receivable	<u>7,500</u>
Subtotal financial assets available within one year	8,001,834
Less: Donor restricted funds	<u>(929,674)</u>
FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR	\$ <u>7,072,160</u>

CAI has a policy to structure its financial assets to be available and liquid as its obligations become due.

6. RETIREMENT PLAN

CAI provides retirement benefits to its employees through a defined contribution plan. CAI provides an employer discretionary contribution which is determined annually by the Board (6% of compensation during the year ended September 30, 2024). Employees with nine months of qualified experience are eligible for the discretionary match. CAI contributions to the Plan for the year ended September 30, 2024 totaled \$26,142.

7. RENTAL INCOME

As CAI currently utilizes approximately 2,400 square feet of its 4,000 square feet of available space, it was decided to lease the unused space. As of September 20, 2024, suite 2A was leased to a law firm for \$2,818 per month under a short-term agreement that ended on March 1, 2025.

CENTRAL ASIA INSTITUTE
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

7. RENTAL INCOME (Continued)

Additionally, Suite 2B was leased to a software developer for \$1,000 per month under a short-term agreement that ended on October 31, 2024. During the year ended September 30, 2024, the rental income related to these lease arrangements totaled \$32,323, and is included in other revenue in the accompanying Statement of Activities and Change in Net Assets.

8. SUBSEQUENT EVENTS

In preparing these financial statements, CAI has evaluated events and transactions for potential recognition or disclosure through April 2, 2025, the date the financial statements were issued.