

IIT KANPUR FOUNDATION

AUDITED FINANCIAL STATEMENTS

DECEMBER 31, 2025

(With summarized comparative totals as of and for
the year ended December 31, 2024)



IIT KANPUR FOUNDATION
TABLE OF CONTENTS
DECEMBER 31, 2025

	<u>Page(s)</u>
Independent Auditor's Report	1
Financial Statements	
Statements of Financial Position.....	3
Statements of Activities.....	4
Statements of Functional Expenses.....	5
Statements of Cash Flows.....	6
Notes to Financial Statements.....	7

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
IIT Kanpur Foundation
Palo Alto, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of IIT Kanpur Foundation ("IITKF") (a nonprofit organization), which comprise the statement of financial position as of December 31, 2025, 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 IITKF as of December 31, 2025, 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 IITKF 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 IITKF'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 IITKF'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 IITKF'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 IITKF's 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 19, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Harshmal & Company LLP

San Diego, California
April 28, 2026

FINANCIAL STATEMENTS

IIT KANPUR FOUNDATION
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025
(With summarized comparative totals as of December 31, 2024)

	<u>2025</u>	<u>2024</u>
ASSETS		
Cash and cash equivalents	\$ 1,610,860	\$ 2,203,589
Donations receivable	<u>361,274</u>	<u>365,861</u>
Total assets	<u>1,972,134</u>	<u>2,569,450</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	<u>-</u>	<u>806,777</u>
Total liabilities	<u>-</u>	<u>806,777</u>
NET ASSETS		
Without donor restrictions	1,220,892	1,347,565
With donor restrictions	<u>751,242</u>	<u>415,108</u>
Total net assets	<u>1,972,134</u>	<u>1,762,673</u>
Total liabilities and net assets	<u><u>\$ 1,972,134</u></u>	<u><u>\$ 2,569,450</u></u>

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

IIT KANPUR FOUNDATION
STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025
(With summarized comparative totals for the year ended December 31, 2024)

	2025			2024
	Without Donor Restrictions	With Donor Restrictions	Total	Total
REVENUES, GAINS, AND OTHER SUPPORT				
Donations and contributions	\$ 228,964	\$ 4,700,602	\$ 4,929,566	\$ 8,123,954
Interest income, net	76,119	-	76,119	174,448
Miscellaneous income	7,388	-	7,388	-
Net assets released from restrictions	<u>4,364,468</u>	<u>(4,364,468)</u>	<u>-</u>	<u>-</u>
Total revenues, gains, and other support	<u>4,676,939</u>	<u>336,134</u>	<u>5,013,073</u>	<u>8,298,402</u>
EXPENSES AND LOSSES				
Program services	4,573,146	-	4,573,146	9,188,729
General and administration	<u>230,466</u>	<u>-</u>	<u>230,466</u>	<u>115,322</u>
Total expenses and losses	<u>4,803,612</u>	<u>-</u>	<u>4,803,612</u>	<u>9,304,051</u>
Change in net assets	(126,673)	336,134	209,461	(1,005,649)
Net assets, beginning of year	<u>1,347,565</u>	<u>415,108</u>	<u>1,762,673</u>	<u>2,768,322</u>
Net assets, end of year	<u>\$ 1,220,892</u>	<u>\$ 751,242</u>	<u>\$ 1,972,134</u>	<u>\$ 1,762,673</u>

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

IIT KANPUR FOUNDATION
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025
(With summarized comparative totals for the year ended December 31, 2024)

	2025			2024
	Program Services	General and Administration	Total	Total
Grant to IIT Kanpur, India	\$ 4,573,146	\$ -	\$ 4,573,146	\$ 9,188,729
Accounting and auditing expenses	-	23,040	23,040	16,735
Operating expenses	-	10,849	10,849	3,284
Event expenses	-	153,556	153,556	76,344
Bank charges	-	9,352	9,352	7,887
Other expenses	-	7,391	7,391	9,532
Legal expenses	-	26,278	26,278	1,540
Total expenses 2025	<u>\$ 4,573,146</u>	<u>\$ 230,466</u>	<u>\$ 4,803,612</u>	
Total expenses 2024	<u>\$ 9,188,729</u>	<u>\$ 115,322</u>		<u>\$ 9,304,051</u>

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

IIT KANPUR FOUNDATION
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025
(With summarized comparative totals for the year ended December 31, 2024)

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Change in net assets	\$ 209,461	\$ (1,005,649)
Adjustments to reconcile change in net assets to net cash provided by/(used in) operating activities:		
Changes in operating assets and liabilities:		
Accounts payable	(806,777)	806,777
Donations receivable	<u>4,587</u>	<u>(105,822)</u>
Net cash used in operating activities	<u>(592,729)</u>	<u>(304,694)</u>
Net change in cash and cash equivalents	(592,729)	(304,694)
Cash and cash equivalents, beginning of year	<u>2,203,589</u>	<u>2,508,283</u>
Cash and cash equivalents, end of year	<u><u>\$ 1,610,860</u></u>	<u><u>\$ 2,203,589</u></u>

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

IIT KANPUR FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 1 - NATURE OF OPERATIONS

IIT Kanpur Foundation ("IITKF") is a nonprofit organization that was established "to mobilize alumni, enhance IIT Kanpur branding, provide alumni services, and raise funds for the betterment of Indian Institute of Technology Kanpur, India". The exact definition of the purpose can be refined by IITKF Board by a Board Resolution, so long as the purpose is only in the context of the betterment of IIT Kanpur or alumni located worldwide. IITKF is a 501(c)(3) organization with its head office located at 3790 El Camino Real, #1038, Palo Alto, CA 94306, USA. IITKF received its status as a tax-exempt organization from the IRS in January 2001.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under this method, revenues are recognized when rights to receive are earned, and expenses are recognized when obligations to pay are incurred.

B. Basis of Presentation

The financial statements are presented in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide").

Under the provisions of the Guide, net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of IITKF and changes therein are classified as follows:

Net assets without donor restrictions: - Net assets that are not subject to donor-imposed restrictions may be expended for any purpose in performing the primary objectives of IITKF. IITKF's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: - Net assets with donor restrictions represent amounts subject to stipulations imposed by donors and grantors. These restrictions may require that the resources be used in a specific manner or in future period. Upon reviewing prior-year classifications, IITKF determined that all donor-restricted contributions received to date were subject exclusively to purpose restrictions, as donors specified that the funds be used for defined programs, scholarships, or other mission-aligned initiatives. No donor-imposed restrictions related to the passage of time or the perpetual retention of principal were identified. Net assets with donor restrictions totaled \$751,242 and \$415,108 as of December 31, 2025, and 2024, respectively.

C. Cash and Cash Equivalents

IITKF considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

IIT KANPUR FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

D. Donations Receivable

Donations receivable consists principally of amounts due from alumni, corporations, and foundations for program services, grants, and project funds of IITKF. For the fiscal years 2025 and 2024, donations receivable totaled \$361,274 and \$365,861, respectively, and are included as part of receivables in the statement of financial position.

E. Investments

IITKF's investments include a highly liquid account held with Morgan Stanley, primarily consisting of savings deposits and money market funds. This account is classified as cash and cash equivalents.

F. Property and Equipment

Acquisition of property and equipment in excess of \$2,000 are capitalized. Property and equipment are stated at cost or, if donated, at approximate fair value at the date of donation. Depreciation is computed using the straight-line method over estimated useful lives ranging from five to seven years. IITKF does not possess any property or equipment for the years ended December 31, 2025, and 2024.

G. Revenue Recognition

IITKF recognizes contributions and grants in accordance with FASB ASC 958-605. Unconditional contributions are recognized when received and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported as donor-restricted support if they are received with donor stipulations that limit the use of the donated assets. When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, 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.

Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restrictions. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation.

Contributions restricted for the acquisition of land, buildings, and equipment are reported as net assets without donor restriction upon acquisition of the assets, and the assets are placed in service.

H. Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Management and general expenses included those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of IITKF.

I. Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reporting of assets, liabilities, revenues, expenses, and related disclosures. Actual results could differ from those estimates.

IIT KANPUR FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

J. Income Tax

IITKF has obtained tax-exempt status from the Internal Revenue Service under Section 501(c)(3) of the Internal Revenue Code and from the Franchise Tax Board under Section 23701(d) of the California Revenue and Tax Code. Accordingly, no provision for federal income tax or California Franchise Tax has been made. IITKF has been classified as a publicly supported charitable organization, which is not a private foundation under IRS Code Section 509(a).

GAAP provides accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by IITKF in its federal and state-exempt organization tax returns are consistent with GAAP guidance and are more likely than not to be sustained upon examination. IITKF's returns are subject to examination by federal and state taxing authorities, generally for three years and four years, respectively, after they are filed.

K. Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with IITKF's financial statements for the year ended December 31, 2024, from which the summarized information was derived.

NOTE 3 - CASH AND CASH EQUIVALENTS

As of December 31, 2025, and 2024, IITKF's cash and cash equivalents consist of the following:

	<u>2025</u>	<u>2024</u>
Bank deposits	\$ 139,696	\$ 181,067
Money market funds, savings, and time deposits	1,468,026	2,022,522
Equities	<u>3,138</u>	<u>-</u>
Total	<u>\$ 1,610,860</u>	<u>\$ 2,203,589</u>

The Federal Deposit Insurance Corporation (FDIC) insures cash accounts at banks up to \$250,000 per institution. Investments held by other institutions are covered up to \$500,000 under insurance provided by the Securities Investor Protection Corporation (SIPC). However, SIPC does not protect against losses in market value. As of December 31, 2025, and 2024, IITKF had \$1,015,800 and \$1,495,867 of cash and investments in excess of FDIC and SIPC limitations.

IIT KANPUR FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 4 - NET ASSETS WITH DONOR RESTRICTIONS

As of December 31, 2025, IITKF's net assets with donor-restrictions consisted of the following:

	January 1, 2025	Additions	Releases	December 31, 2025
Purpose-restricted	\$ 415,108	\$ 4,700,602	\$ (4,364,468)	\$ 751,242
Total net assets with donor restrictions	<u>\$ 415,108</u>	<u>\$ 4,700,602</u>	<u>\$ (4,364,468)</u>	<u>\$ 751,242</u>

As of December 31, 2024, IITKF's net assets with donor-restrictions consisted of the following:

	January 1, 2024	Reclassification	Additions	Releases	December 31, 2024
Perpetual	\$ 229,097	\$ (229,097)	\$ -	\$ -	\$ -
Time-restricted	1,296,300	(1,296,300)	-	-	-
Purpose-restricted	<u>43,532</u>	<u>1,525,397</u>	<u>7,910,709</u>	<u>(9,064,530)</u>	<u>415,108</u>
Total net assets with donor restrictions	<u>\$ 1,568,929</u>	<u>\$ -</u>	<u>\$ 7,910,709</u>	<u>\$ (9,064,530)</u>	<u>\$ 415,108</u>

NOTE 5 - LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

The following represents IITKF's financial assets as of December 31, 2025, and 2024:

	2025	2024
Cash and cash equivalents	\$ 1,610,860	\$ 2,203,589
Donations receivable	<u>361,274</u>	<u>365,861</u>
Total financial assets	1,972,134	2,569,450
Less: net assets with donor restrictions	<u>(751,242)</u>	<u>(415,108)</u>
Financial assets available to meet general expenditures within one year	<u>\$ 1,220,892</u>	<u>\$ 2,154,342</u>

IITKF's goal is to maintain financial assets, which consist of cash and short-term investments, on hand to meet 90 days of normal operating expenses, which are, on average \$56,827.

IITKF has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, as part of its liquidity management, IITKF invests cash in excess of daily requirements in various short-term investments, including certificates of deposit, money market accounts, and short-term treasury instruments.

IIT KANPUR FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 6 - ACCOUNTS PAYABLE

As of December 31, 2025, and 2024, IITKF's accounts payable consist of the following:

	<u>2025</u>	<u>2024</u>
Program expenses payable	\$ -	\$ 802,609
Event expenses payable	<u>-</u>	<u>4,168</u>
Total	<u>\$ -</u>	<u>\$ 806,777</u>

NOTE 7 - EVALUATION OF SUBSEQUENT EVENTS

IITKF has evaluated subsequent events through April 28, 2026, the date the financial statements were available for issuance, and has determined that no adjustments are necessary to the amounts reported in the accompanying financial statements, nor have any subsequent events occurred, the nature of which would require disclosure.