
Karam Foundation, NFP and Affiliate

Consolidated Financial Statements

December 31, 2024

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Independent Auditor’s Report

To the Board of Directors of
Karam Foundation, NFP and Affiliate

Opinion

We have audited the accompanying consolidated financial statements of Karam Foundation, NFP (an Illinois nonprofit Foundation) and its affiliate (a Turkish Association) (collectively, the “Foundation”), which comprise the consolidated statement of financial position as of December 31, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Foundation’s as of December 31, 2024, and the changes in 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 (“GAAS”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Foundation’s 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 GAAS 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 judgement made by a reasonable user based on the consolidated 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 consolidated 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 consolidated 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 the Foundation'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation'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 the Foundation's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 3, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

New York, NY
November 14, 2025

NChing LLP

Karam Foundation, NFP and Affiliate
Consolidated Statement of Financial Position
As of December 31, 2024
(With comparative totals as of December 31, 2023)

	<u>2024</u>	<u>2023</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 2,101,505	\$ 3,000,560
Contributions receivable, net	438,605	1,610,931
Prepaid expenses and other assets	51,753	39,642
Fixed assets, net	114,732	95,562
Operating lease right-of-use assets	112,885	118,544
Total Assets	<u>\$ 2,819,480</u>	<u>\$ 4,865,239</u>
<u>Liabilities And Net Assets</u>		
<u>Liabilities</u>		
Accounts payable and accrued expenses	\$ 75,269	\$ 83,489
Operating lease liability	127,462	124,054
Total liabilities	<u>202,731</u>	<u>207,543</u>
<u>Net Assets</u>		
Without donor restrictions	2,171,973	2,038,704
With donor restrictions	444,776	2,618,992
Total net assets	<u>2,616,749</u>	<u>4,657,696</u>
Total liabilities and net assets	<u>\$ 2,819,480</u>	<u>\$ 4,865,239</u>

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

Karam Foundation, NFP and Affiliate
Consolidated Statement of Activities
For the year ended December 31, 2024
(With comparative totals as of December 31, 2023)

	Without donor restrictions	With donor restrictions	Total 2024	Total 2023
<u>Public support and revenue</u>				
Contributions	\$ 1,528,478	\$ 232,038	\$ 1,760,516	\$ 4,507,500
Other income	3,909	-	3,909	10,089
Foreign currency translation loss	(9,076)	-	(9,076)	(21,214)
Sub-total	<u>1,523,311</u>	<u>232,038</u>	<u>1,755,349</u>	<u>4,496,375</u>
Net assets released from restrictions	<u>2,406,254</u>	<u>(2,406,254)</u>	<u>-</u>	<u>-</u>
Total public support and revenue	<u>3,929,565</u>	<u>(2,174,216)</u>	<u>1,755,349</u>	<u>4,496,375</u>
<u>Functional expenses</u>				
Program services	<u>2,997,842</u>	<u>-</u>	<u>2,997,842</u>	<u>2,929,393</u>
Supporting services				
Management and general	403,479	-	403,479	329,529
Fundraising	<u>421,059</u>	<u>-</u>	<u>421,059</u>	<u>443,485</u>
Total supporting services	<u>824,538</u>	<u>-</u>	<u>824,538</u>	<u>773,014</u>
Total functional expenses	<u>3,822,380</u>	<u>-</u>	<u>3,822,380</u>	<u>3,702,407</u>
Change in net assets from operations	107,185	(2,174,216)	(2,067,031)	793,968
Non-operating activities:				
Net investment return	<u>26,084</u>	<u>-</u>	<u>26,084</u>	<u>-</u>
Total non-operating activities	<u>26,084</u>	<u>-</u>	<u>26,084</u>	<u>-</u>
Change in net assets	133,269	(2,174,216)	(2,040,947)	793,968
Net assets, beginning of year	<u>2,038,704</u>	<u>2,618,992</u>	<u>4,657,696</u>	<u>3,863,728</u>
Net assets, end of year	<u>\$ 2,171,973</u>	<u>\$ 444,776</u>	<u>\$ 2,616,749</u>	<u>\$ 4,657,696</u>

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

Karam Foundation, NFP and Affiliate
Consolidated Statement of Functional Expenses
For the year ended December 31, 2024
(With comparative totals as of December 31, 2023)

	Program services	Supporting services		Total 2024	Total 2023*
		Management and general	Fundraising		
Salaries	\$ 979,660	\$ 145,972	\$ 262,858	\$ 1,388,490	\$ 1,088,520
Payroll taxes and employee benefits	113,686	37,044	66,708	217,438	249,828
Grants	154,646	-	-	154,646	83,959
Scholarships	327,143	-	-	327,143	319,520
Other direct assistance to individuals	840,376	-	-	840,376	1,127,343
Professional fees	304,120	131,638	35,266	471,024	451,771
Occupancy and space rental	91,815	-	-	91,815	57,341
Travel and meetings	67,913	12,334	15,091	95,338	96,747
Bank and transaction fees	-	7,973	-	7,973	64,849
Office expenses	51,073	12,941	9,107	73,121	35,342
Dues and subscriptions	15,873	8,251	11,248	35,372	49,606
Insurance	333	4,144	-	4,477	4,797
Other expenses	3,798	33,001	5,259	42,058	12,215
Staff development	15,834	5,477	7,051	28,362	-
Depreciation	31,572	4,704	8,471	44,747	61,081
Total expenses	\$ 2,997,842	\$ 403,479	\$ 421,059	\$ 3,822,380	\$ 3,702,919

**Reclassified for comparative purposes*

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

Karam Foundation, NFP and Affiliate
Consolidated Statement of Cash Flows
For the year ended December 31, 2024
(With comparative totals as of December 31, 2023)

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities		
Change in net assets	\$ (2,040,947)	\$ 793,968
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	44,747	61,081
Loss on donated fixed assets	456	136
Discount on contributions receivable	18,891	17,791
Changes in operating lease right-of-use asset and liability	9,067	6,151
Changes in assets and liabilities:		
Contributions receivable	1,153,435	(116,763)
Prepaid expenses & other assets	(12,111)	(21,004)
Accounts payable and accrued expenses	<u>(8,220)</u>	<u>20,160</u>
Cash flows used in operating activities	<u>(834,682)</u>	<u>761,520</u>
Cash flows from investing activities		
Fixed asset acquisitions	<u>(64,373)</u>	<u>(37,094)</u>
Cash flows used in investing activities	<u>(64,373)</u>	<u>(37,094)</u>
Net change in cash and cash equivalents	(899,055)	724,426
Cash and cash equivalents, beginning of year	<u>3,000,560</u>	<u>2,276,134</u>
Cash and cash equivalents, end of year	<u>\$ 2,101,505</u>	<u>\$ 3,000,560</u>
No interest or income taxes were paid.		

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

Karam Foundation, NFP and Affiliate
Notes to the Consolidated Financial Statements
December 31, 2024

Note 1 Organization

Karam Foundation, NFP was incorporated on July 11, 2007 and is a non-profit corporation dedicated to helping people help themselves. The Foundation seeks to restore the dignity and quality of life for people affected by conflict by eliminating barriers to success through innovative education, community-driven smart aid, and sustainable entrepreneurial development. In July 2017, Karam Foundation, NFP began supporting Karam Evi Derengi (Karam House Association) formerly known as Toplum Icin Yenilik ve Yardim Dernegi (TIYYD) (the “Affiliate”), a separate legal Turkish Association (“NGO”) headquartered in Istanbul, Turkey and established in 2017 in order to carry out programs throughout Turkey to serve the Syrian refugee community. These two entities are collectively referred to as (the “Foundation”).

The assets and expenses of these programs are included in the Foundation’s consolidated financial statements. All intercompany balances and transactions have been eliminated in consolidation.

The majority of the Foundation’s programs are carried out in Turkey. The Foundation’s primary sources of revenue are grants and contributions.

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code and applicable state law. The Affiliate is a foreign NGO, which is similar to a U.S. not- for-profit organization.

Note 2 Summary of Significant Accounting Policies

Basis of accounting. The accompanying consolidated financial statements of the Foundation have been prepared on the accrual basis of accounting, which is the process of recognizing revenue and expenses when earned or incurred rather than received or paid.

Basis of presentation. The Foundation reports information regarding its financial position and activities according to the following specific classes of net assets:

Net Assets Without Donor Restrictions – represents those resources for which there are no restrictions by donors as to their use as well as activity with donor-imposed restrictions that expire within the same period.

Net Assets With Donor Restrictions – represents those resources, the uses of which have been restricted by donors to specific purposes or the passage of time and/or must remain intact in perpetuity. The release from restrictions results from the satisfaction of the restricted purposes specified by the donor.

Karam Foundation, NFP and Affiliate
Notes to the Consolidated Financial Statements
December 31, 2024

Note 2 Summary of Significant Accounting Policies – (continued)

Revenue recognition. The Foundation follows the requirements of the Financial Accounting Standards Board's ("FASB") Accounting Standards Accounting Standards Codification ("ASC") 958-605 for recording contributions, which are recognized at the earlier of when cash is received or at the time a pledge becomes unconditional in nature. Contributions are recorded in one of the net asset classes referred to above depending on the existence and/or nature of any donor-imposed restriction. When a 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.

Contributions may be subject to conditions which are defined as both a barrier to entitlement and a right of return of payments or release from obligations and are recognized as income once the conditions have been substantially met.

Contributions expected to be received within one year are recorded at net realizable value. Long- term pledges are recorded at fair value, using risk-adjusted present value techniques. Receivables are reviewed for collectability. No allowance for doubtful accounts has been recorded as all receivables are deemed to be fully collectable.

Credit losses. On January 1, 2023, the Foundation adopted FASB Accounting Standards Update ("ASU") 2016-13, Financial Instruments - Credit Losses (Topic 326). Financial assets, which potentially subject the Foundation to credit losses, consist of receivables from program fees. Expected losses are recorded to an allowance for credit losses valuation account that is net against the corresponding asset to present the net amount expected to be collected on the financial asset. The credit loss allowance is determined through analysis of the financial assets and assessments of risk that are based on historical trends and evaluation of the impact of current and projected economic conditions.

Based on the analysis performed on the open accounts receivable aging and detail analysis of the customers, the Foundation did not record an allowance for bad debt as of December 31, 2024 and December 31, 2023, respectively. The impact of the adoption was not considered material to the consolidated financial statements and primarily results in new/enhanced disclosures only.

Cash and cash equivalents. The Foundation considers all liquid investments with an initial maturity of three months or less to be cash and cash equivalents.

Concentration of credit risk. Financial instruments which potentially subject the Foundation to a concentration of credit risk consist of cash, savings, and money market accounts which are placed with financial institutions that management deems to be creditworthy. At year end and at various times throughout the year, balances were in excess of insured amounts. However, the Foundation has not experienced any losses due to bank failure.

Karam Foundation, NFP and Affiliate
Notes to the Consolidated Financial Statements
December 31, 2024

Note 2 Summary of Significant Accounting Policies – (continued)

Fixed assets. Fixed assets that exceed a predetermined amount of \$500 that the Foundation retains title to, and that benefit future periods are capitalized at cost, or if donated, at the estimated fair value at the time of donation. Depreciation is charged using the straight-line method over each asset's estimated useful life.

Leases. The Foundation determines if an arrangement is or contains a lease at inception. Leases are included in ROU assets and lease liabilities in the consolidated statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. The change in operating lease right-of-use asset and liability on the consolidated statement of cash flows includes the amortization of the ROU asset and cash payments for leases offset by the accretion of the discounted lease liability. Operating lease expense is recognized on a straight-line basis over the lease term. The Foundation does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Foundation will exercise that option.

In-kind contribution. Donated services are recognized in circumstances where those services create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided in-kind.

Board members and individuals volunteer their time and perform a variety of services for the Foundation. These services do not meet the criteria for recognition and have not been recognized in the consolidated financial statements.

Foreign currency transactions. As described in Note 1, the Affiliate conducts programs throughout Turkey to serve the Syrian refugee community. Transactions related to these activities are in the local currency, Turkish Lira. Assets and liabilities of the Affiliate are translated at year-end exchange rates. Support and revenue and expenses are translated at the average exchange rates during the year. The Foundation recorded foreign currency losses of \$9,076 and \$21,214 for the years ended December 31, 2024 and December 31, 2023, respectively.

Advertising costs. Advertising costs are charged to operations when the advertising first takes place.

Karam Foundation, NFP and Affiliate
Notes to the Consolidated Financial Statements
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Note 2 Summary of Significant Accounting Policies – (continued)

Management estimates. The preparation of consolidated financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

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

Salaries were allocated using time and effort as the basis. Payroll taxes and employee benefits and depreciation were allocated using salaries as the basis. All other expenses have been charged directly to the applicable program or supporting services.

Accounting for uncertainty of income taxes. The Foundation does not believe its consolidated financial statements include any material, uncertain tax positions. Tax returns for periods ending December 31, 2021 and later are subject to examination by applicable taxing authorities.

Note 3 Contributions receivable

Contributions receivable at December 31, 2024 are expected to be received in the following periods:

Receivables in less than one year	\$ 255,362
Receivables in one to five years	155,632
Receivables in greater than five year	48,204
	<u>459,198</u>
Less: present value discount (2% - 4.4%)	<u>(20,593)</u>
Contributions receivable, net	<u><u>\$ 438,605</u></u>

Karam Foundation, NFP and Affiliate
Notes to the Consolidated Financial Statements
December 31, 2024

Note 3 Contributions receivable – (continued)

Contributions receivable at December 31, 2023 are expected to be received in the following periods:

Receivables in less than one year	\$ 1,227,472
Receivables in one to five years	371,032
Receivables in greater than five year	<u>51,912</u>
	1,650,416
Less: present value discount (2% - 4.4%)	<u>(39,485)</u>
Contributions receivable, net	<u><u>\$ 1,610,931</u></u>

Note 4 Fixed assets

Fixed assets consist of the following at December 31, 2024 and December 31, 2023:

	<u>2024</u>	<u>2023</u>
Electronic equipment - 5 years useful life	\$ 96,048	\$ 84,342
Furniture and fixtures - 5 years useful life	375,521	325,863
Leasehold improvements - life of lease	98,149	95,688
Vehicles - 5 years useful life	<u>10,086</u>	<u>21,650</u>
	579,804	527,543
Less - accumulated depreciation	<u>(465,072)</u>	<u>(431,981)</u>
Total fixed assets, net	<u><u>\$ 114,732</u></u>	<u><u>\$ 95,562</u></u>

Note 5 Operating lease right-of-use asset and lease liability

The Foundation evaluated current contracts to determine which met the criteria of a lease. The Foundation’s operating team in the United States currently functions remotely. The Foundation leases office space under operating leases in Reyhanli and Istanbul, Turkey, known as “Karam Houses”. The Karam House is a community innovation workplace for Syrian refugees’ youth where they can learn skills in science, technology, engineering, arts and mathematics.

Karam Foundation, NFP and Affiliate
Notes to the Consolidated Financial Statements
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Note 5 Operating lease right-of-use asset and lease liability – (continued)

The Foundation had a lease agreement in Reyhanli that expired on July 31, 2023 and entered into a non-cancellable agreement that commenced August 1, 2023 and expires July 31, 2030. The lease term includes a two-year extension, available at the Organization’s option, which it is reasonably certain to exercise. Escalations under this agreement are the lower of 30% or the 12-month average consumer price index (“CPI”) determined by Turkish Statistical Institute. Future variable costs will be recognized in the years when the CPI exceeds 30%. No variable costs were recognized for the year ended December 31, 2024 and December 31, 2023.

The Foundation entered into a non-cancellable lease agreement for additional space in Reyhanli that commenced on December 1, 2024, and expires on November 30, 2027. The lease term excludes the renewal option, as the Organization is not reasonably certain to exercise it.

In Istanbul, the Foundation maintained a short-term lease that was extended through November 5, 2024, pursuant to a lease modification, and subsequently extended through November 2025, when the Foundation vacated the premises.

The Foundation also leases guest houses in Reyhanli and Istanbul. The Istanbul guest house was leased under a short-term agreement that commenced on October 1, 2022, expired on May 31, 2023, and was extended through September 30, 2023, when the Foundation vacated the premises.

The Foundation leased a guest house in Reyhanli for 12 months commencing August 11, 2023. Upon expiration, the Foundation entered into a long-term lease for the Reyhanli guest house that expires on August 10, 2027. The lease term includes a one-year renewal option, which the Organization is reasonably certain to exercise.

As of December 31, 2024 and December 31, 2023, the weighted-average remaining lease term for the Foundation’s operating leases was 5.0 years and 6.6 years respectively. The Foundation made an accounting policy election to use a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments. The weighted-average discount rate applied to calculate leases liabilities as of December 31, 2024 and December 31, 2023 was 4.12% and 4.15%, respectively.

For the years ended December 31, 2024 and December 31, 2023, the total operating lease cost was \$21,451 and \$39,019 respectively. Cash paid for operating leases for the years ended December 31, 2024 and December 31, 2023 totaled \$10,618 and \$32,477 respectively. There were no noncash investing and financing transactions related to leasing other than the ROU asset obtained in exchange for the lease liability recorded at the date of commencement or implementation.

Karam Foundation, NFP and Affiliate
Notes to the Consolidated Financial Statements
December 31, 2024

Note 5 Operating lease right-of-use asset and lease liability – (continued)

Future maturities of lease liabilities are presented in the following table:

Year ending:		
	2025	\$ 21,051
	2026	24,176
	2027	25,867
	2028	22,889
	2029	29,755
Thereafter		<u>20,057</u>
Total lease payments		143,795
Less: present value adjustment		<u>(16,333)</u>
Total lease obligation		<u>\$ 127,462</u>

For the years ended December 31, 2024 and December 31, 2023, the short-term lease cost was \$41,146 and \$4,164 respectively. Future short-term lease commitments amounted to \$26,074 as of December 31, 2024.

Note 6 Net assets with donor restrictions

Net assets with donor restrictions consist of the following for year ended December 31, 2024:

	Balance		Released	Balance
	1/1/2024	Contributions	from	12/31/2024
			Restrictions	
Program restrictions:				
Karam scholars	\$ 418,159	\$ 17,038	\$ (211,560)	\$ 223,637
Karam families	-	54,543	(53,543)	1,000
Karam studios	-	3,962	(3,962)	-
Emergency aid	1,232,374	11,740	(1,239,628)	4,486
Jumpstart	57,685	275	(55,870)	2,090
Mental health	16,083	-	(13,083)	3,000
10,000 leaders	60,758	92,634	(96,964)	56,428
Other	-	51,846	(39,979)	11,867
Total program restrictions	<u>1,785,059</u>	<u>232,038</u>	<u>(1,714,589)</u>	<u>302,508</u>
Time restrictions	833,933	-	(691,665)	142,268
Total	<u>\$ 2,618,992</u>	<u>\$ 232,038</u>	<u>\$ (2,406,254)</u>	<u>\$ 444,776</u>

Karam Foundation, NFP and Affiliate
Notes to the Consolidated Financial Statements
December 31, 2024

Note 6 Net assets with donor restrictions – (continued)

Net assets with donor restrictions consist of the following for year ended December 31, 2023:

	Balance 01/01/23	Contributions	Released from Restrictions	Balance 12/31/2023
Program restrictions:				
Karam scholars	\$ 451,437	\$ 271,053	\$ (304,331)	\$ 418,159
Karam families	-	64,722	(64,722)	-
Karam studios	-	1,462	(1,462)	-
Emergency aid	-	2,297,519	(1,065,145)	1,232,374
Jumpstart	57,283	425	(23)	57,685
Mental health	12,000	9,000.00	(4,917)	16,083
10,000 leaders	72,000	156,910	(168,152)	60,758
Other	-	25,000	(25,000)	-
Total program restrictions	<u>592,720</u>	<u>2,826,091</u>	<u>(1,633,752)</u>	<u>1,785,059</u>
Time restrictions	<u>1,227,999</u>	<u>309,083.00</u>	<u>(703,149)</u>	<u>833,933</u>
Total	<u><u>\$ 1,820,719</u></u>	<u><u>\$ 3,135,174</u></u>	<u><u>\$ (2,336,901)</u></u>	<u><u>\$ 2,618,992</u></u>

Note 7 Availability and liquidity

The Foundation maintains cash on hand to be available for its general expenditures and other obligations for on-going operations. As part of its liquidity management, the Foundation operates its programs within a board approved budget and relies on contributions and government grants to fund its operations and program activities.

The following reflects the Foundation's financial assets at December 31, 2024 that are available to meet cash needs for general expenditures within one year:

Financial assets at year end:	
Cash and cash equivalents	\$ 2,101,505
Contributions receivable, net	438,605
Total financial assets	<u>2,540,110</u>
Less: amounts not available for general expenditures:	
Donor restricted net assets	(444,776)
Add: Donor contributions restricted for time to be released in 2024	<u>78,000</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 2,173,334</u></u>

Karam Foundation, NFP and Affiliate
Notes to the Consolidated Financial Statements
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Note 8 Subsequent events

Subsequent events have been evaluated through November 14, 2025, the date the consolidated financial statements were available to be issued. Adjustments and disclosures have been made for all subsequent events that have occurred.