

**SAKHI FOR SOUTH ASIAN WOMEN, INC.**

FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION

JUNE 30, 2022 AND 2021



**SobelCo**

Certified Public Accountants & Advisors

# **SAKHI FOR SOUTH ASIAN WOMEN, INC.**

JUNE 30, 2022 AND 2021

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Sakhi for South Asian Women, Inc.  
New York, New York

### **Opinion**

We have audited the accompanying financial statements of Sakhi for South Asian Women, Inc., a New York nonprofit organization, which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years 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 Sakhi for South Asian Women, Inc., as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Sakhi for South Asian Women, Inc., 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 the Sakhi for South Asian Women, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **Auditors' 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 auditors' 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 and *Government 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, 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 and *Government 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 Sakhi for South Asian Women, Inc.'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 Sakhi for South Asian Women, Inc.'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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards (page 19), as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2022 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Sobel & Co, LLC".

Certified Public Accountants

Livingston, New Jersey  
October 26, 2022

**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**STATEMENTS OF FINANCIAL POSITION**

	June 30,	
	2022	2021
<b>ASSETS</b>		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 808,311	\$ 801,855
Contributions receivable	463,488	593,541
Government grants receivable	793,662	434,430
Prepaid expenses	17,082	18,788
Total Current Assets	2,082,543	1,848,614
PROPERTY AND EQUIPMENT, Net	359	2,092
OTHER ASSETS:		
Security deposits	89,715	68,390
Total Assets	\$ 2,172,617	\$ 1,919,096
<b>LIABILITIES AND NET ASSETS</b>		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 59,234	\$ 35,824
Refundable advance	-	10,313
Total Current Liabilities	59,234	46,137
OTHER LIABILITIES:		
Deferred rent	8,640	24,490
Total Liabilities	67,874	70,627
COMMITMENTS AND CONTINGENCIES		
NET ASSETS:		
Without donor restrictions	1,555,143	943,403
With donor restrictions	549,600	905,066
Total Net Assets	2,104,743	1,848,469
Total Liabilities and Net Assets	\$ 2,172,617	\$ 1,919,096

**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**

	Year Ended June 30, 2022			Year Ended June 30, 2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUE AND SUPPORT:</b>						
Foundation grants	\$ 20,000	\$ 656,000	\$ 676,000	\$ 130,000	\$ 957,380	\$ 1,087,380
Government grants	2,131,276	-	2,131,276	1,565,818	-	1,565,818
Public contributions	189,462	10,762	200,224	410,127	-	410,127
Special event income	755,988	-	755,988	13,624	-	13,624
Less: Direct benefit to donors	(389,307)	-	(389,307)	-	-	-
In-kind contributions	9,800	-	9,800	21,799	-	21,799
Other revenue	17,204	-	17,204	5,039	-	5,039
Net assets released from restriction	1,022,228	(1,022,228)	-	717,510	(717,510)	-
Total Revenue and Support	3,756,651	(355,466)	3,401,185	2,863,917	239,870	3,103,787
<b>EXPENSES:</b>						
Program services:						
Community outreach	150,613	-	150,613	121,005	-	121,005
Anti-violence	493,707	-	493,707	326,540	-	326,540
Economic empowerment	331,527	-	331,527	259,687	-	259,687
Youth empowerment	148,795	-	148,795	240,243	-	240,243
Mental health	133,445	-	133,445	224,280	-	224,280
Sexual assault	302,916	-	302,916	162,496	-	162,496
Food justice	100,445	-	100,445	200,253	-	200,253
Housing	731,550	-	731,550	336,093	-	336,093
Total program services	2,392,998	-	2,392,998	1,870,597	-	1,870,597
Support services:						
Management and general	408,853	-	408,853	338,486	-	338,486
Fundraising	343,060	-	343,060	323,918	-	323,918
Total Expenses	3,144,911	-	3,144,911	2,533,001	-	2,533,001
CHANGES IN NET ASSETS	611,740	(355,466)	256,274	330,916	239,870	570,786
<b>NET ASSETS:</b>						
Beginning of the year	943,403	905,066	1,848,469	612,487	665,196	1,277,683
End of the year	\$ 1,555,143	\$ 549,600	\$ 2,104,743	\$ 943,403	\$ 905,066	\$ 1,848,469

**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2022**

	Program Services								Supporting Services		Total	
	Community Outreach	Anti-Violence	Economic Empowerment	Youth Empowerment	Mental Health Awareness	Sexual Assault	Food Justice	Housing	Total Program Expenses	Management and General		Fundraising
Salaries and wages	\$ 94,841	\$ 321,937	\$ 214,553	\$ 75,020	\$ 101,429	\$ 225,593	\$ 58,827	\$ 117,015	\$ 1,209,215	\$ 232,520	\$ 250,129	\$ 1,691,864
Payroll taxes and fringe benefits	13,937	48,033	32,381	11,111	14,853	33,355	9,305	17,405	180,380	34,293	36,344	251,017
Total salaries and related expenses	108,778	369,970	246,934	86,131	116,282	258,948	68,132	134,420	1,389,595	266,813	286,473	1,942,881
Professional fees	13,778	17,087	31,221	29,651	3,919	10,133	4,678	8,184	118,651	102,887	3,623	225,161
Insurance	354	1,433	1,074	308	362	907	432	504	5,374	907	801	7,082
Communications	14,077	4,358	3,266	1,675	1,099	2,758	1,312	1,531	30,076	926	7,223	38,225
Travel	175	1,126	165	533	56	140	623	78	2,896	112	408	3,416
Occupancy	8,260	33,443	25,057	7,181	8,436	21,165	10,068	11,750	125,360	22,365	18,680	166,405
Office expenses	3,813	9,977	8,158	6,832	1,885	5,276	2,092	4,775	42,808	14,621	25,656	83,085
Client assistance	1,291	55,962	15,389	16,409	1,318	3,367	13,002	570,185	676,923	-	-	676,923
Depreciation	87	351	263	75	88	222	106	123	1,315	222	196	1,733
Special event costs	-	-	-	-	-	-	-	-	-	-	389,307	389,307
	150,613	493,707	331,527	148,795	133,445	302,916	100,445	731,550	2,392,998	408,853	732,367	3,534,218
Less: Cost of direct benefit to donors	-	-	-	-	-	-	-	-	-	-	(389,307)	(389,307)
Total Expenses	\$ 150,613	\$ 493,707	\$ 331,527	\$ 148,795	\$ 133,445	\$ 302,916	\$ 100,445	\$ 731,550	\$ 2,392,998	\$ 408,853	\$ 343,060	\$ 3,144,911



**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2021**

	Program Services								Supporting Services			
	Community Outreach	Anti-Violence	Economic Empowerment	Youth Empowerment	Mental Health Awareness	Sexual Assault	Food Justice	Housing	Total Program expenses	Management and General	Fundraising	Total
Salaries and wages	\$ 83,135	\$ 213,184	\$ 164,555	\$ 148,370	\$ 147,716	\$ 110,246	\$ 69,259	\$ 52,635	\$ 989,100	\$ 165,044	\$ 229,294	\$ 1,383,438
Payroll taxes and fringe benefits	13,188	38,061	30,535	26,279	25,380	18,053	13,326	8,415	173,237	23,489	35,456	232,182
Total salaries and related expenses	96,323	251,245	195,090	174,649	173,096	128,299	82,585	61,050	1,162,337	188,533	264,750	1,615,620
Professional fees	4,311	12,838	10,693	18,548	8,522	5,961	32,827	3,082	96,782	129,009	11,120	236,911
Insurance	349	1,099	904	761	724	492	412	230	4,971	877	917	6,765
Communications	1,086	3,424	2,833	2,401	2,355	1,531	1,284	716	15,630	382	646	16,658
Travel	60	190	156	132	125	85	(529)	40	259	2	3	264
Occupancy	8,014	25,257	20,764	17,486	16,636	11,293	9,471	5,282	114,203	12,347	20,697	147,247
Office expenses	3,752	12,226	9,942	10,417	9,835	5,288	4,665	2,473	58,598	5,026	21,914	85,538
Client assistance	5,637	15,620	15,489	12,636	9,930	7,472	67,797	262,249	396,830	-	-	396,830
Depreciation	291	917	754	635	604	410	344	192	4,147	457	765	5,369
In-kind donations	1,182	3,724	3,062	2,578	2,453	1,665	1,397	779	16,840	1,853	3,106	21,799
Total Expenses	\$ 121,005	\$ 326,540	\$ 259,687	\$ 240,243	\$ 224,280	\$ 162,496	\$ 200,253	\$ 336,093	\$ 1,870,597	\$ 338,486	\$ 323,918	\$ 2,533,001

**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**STATEMENTS OF CASH FLOWS**

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	<b>Year Ended June 30,</b>	
	<b>2022</b>	<b>2021</b>
CASH FLOWS PROVIDED BY:		
<u>OPERATING ACTIVITIES:</u>		
Changes in net assets	\$ 256,274	\$ 570,786
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	1,733	5,369
Deferred rent	(15,850)	(13,028)
Changes in certain assets and liabilities:		
Contributions receivable	130,053	(110,546)
Government grants receivable	(359,232)	(77,313)
Prepaid expenses	1,706	3,956
Security deposits	(21,325)	(4,900)
Accounts payable and accrued expenses	23,410	(54,737)
Refundable advance	(10,313)	(231,414)
Net Cash Provided by Operating Activities	<u>6,456</u>	<u>88,173</u>
 NET INCREASE IN CASH AND CASH EQUIVALENTS	 6,456	 88,173
 CASH AND CASH EQUIVALENTS:		
Beginning of the year	<u>801,855</u>	<u>713,682</u>
 End of the year	 <u>\$ 808,311</u>	 <u>\$ 801,855</u>

**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE 1 - NATURE OF ORGANIZATION:**

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Founded in 1989, Sakhi for South Asian Women, Inc. (“Sakhi” or “Organization”) exists to represent the South Asian diaspora in a survivor-led movement for gender justice and to honor the collective and inherent power of all survivors of violence. Sakhi is committed to serving survivors through a combination of efforts including—but not limited to—direct services, advocacy and organizing, technical assistance, and community outreach. We have served over 10,000 survivors over the last thirty-two years.

Today, Sakhi is the only direct service organization explicitly addressing gender-based violence within New York City's South Asian community. Being of the community, Sakhi monitors and challenges practices that oppress survivors and applauds those which promote safe and resilient relationships. South Asian immigrants and survivors of violence are present throughout our staff and board. All direct service staff are bilingual, and many are fluent in multiple South Asian languages. Sakhi provides services and referrals in more than eight South Asian languages: Bengali, Hindi, Malayalam, Marathi, Punjabi, Gujarati, Sylheti, and Urdu.

The largest and most vulnerable group that we work with consists of low-income, recently-immigrated survivors of gender-based violence who have limited proficiency in English and thereby have limited ability to access resources or support.

Sakhi supports survivors through an array of culturally sensitive, linguistically appropriate services. This includes crisis intervention, safety planning, and ongoing emotional support; accompaniments, translation assistance, and advocacy in court, during healthcare visits, and at public benefits and welfare agencies; low-cost or free health consultations and exams, public benefits, and housing. Sakhi also supports survivors who have experienced forced marriage, as well as students with Title IX Sexual Assault cases. We have 8 major programs: Anti-Violence, Sexual Violence, Community Engagement, Economic Empowerment, Food Justice, Transitional Housing, Youth Empowerment, and Mental Health.

In 2019, we received nearly \$1.6M from New York State's Office of Victim Services to launch two satellite sites and expand our presence in New York City. The first launched in Queens in January 2020 and the second has been put on hold temporarily in response to the pandemic's ever-changing conditions. We plan to open our office in Brooklyn in mid 2023.

In direct response to the pandemic, Sakhi rapidly adapted to meet survivors' critical needs. We worked as a team to modify our core services, expand our Food Justice Program, and increase our Client Emergency Assistance Program. Expanding our direct emergency assistance has aimed to help ease the stressful financial burdens suffered throughout this crisis. We have supported payments for essential services and items such as phone bills, sanitary products, medication, and diapers to relieve survivors of some pressure. Additionally, given the uncertainty regarding rent payments and Sakhi's experience with landlords threatening eviction regardless of client rights, our emergency funding aims to help clients remain safely housed and out of New York City's shelter system.

**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

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***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.

***Financial Statement Presentation:***

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions - Net assets not subject to donor-imposed stipulations.

Net Assets with Donor Restrictions - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time, and other net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions.

***Cash and Cash Equivalents:***

Cash and cash equivalents include short-term, highly liquid investments with original maturities of three months or less on the date of acquisition.

***Contributions and Government Grants Receivable:***

Contributions and government grants receivable are stated at the amount management expects to collect from outstanding balances. The Organization provides for doubtful amounts through a charge to operations and a credit to an allowance for doubtful accounts, which is based on historical bad debts and an assessment of specific donors' and grantors' ability to pay. Balances that remain outstanding after reasonable collection efforts are written off through a charge to the allowance and a credit to contributions or government grants receivable. Management has determined that no allowance is necessary at June 30, 2022 and 2021.

***Property and Equipment:***

Property and equipment purchases greater than \$3,500 that extend the useful lives of the assets are capitalized and recognized on the statements of financial position at cost. Donated property and equipment are recorded at cost on the date of acquisition, or at the fair value of the asset, based on values of comparable assets, at the date of gift for donated assets. Depreciation is computed on a straight-line basis over the estimated useful life as follows:

Equipment	5 years
Leasehold improvements	5 years

**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)**

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***Property and Equipment: (Continued)***

In the absence of donor-imposed restrictions on the use of the asset, gifts of long-lived assets are reported as support without donor restrictions. When an asset is sold or retired, the cost and accumulated depreciation are removed from the respective accounts. Maintenance, repairs, and minor renewals are charged to operations as incurred. Significant renewals and betterments that extend the useful life of the assets are capitalized.

State funding sources may maintain an equitable interest in property purchased with grant monies, as well as the right to determine the use of proceeds from the sale of those assets.

***Refundable Advance:***

Refundable advance represents funds received in advance from governmental agencies and not yet earned.

***Deferred Rent:***

The Organization's operating space lease agreements include lease incentives and lease escalations throughout their respective terms. The Organization recognizes rent expense on a straight-line basis over the term of the lease. The differences between amounts paid and amounts charged to expense are reflected as deferred rent.

***Revenue Recognition – Contributions and Grants from Governmental Agencies:***

Funds received from various federal governmental agencies represent grants awarded to the Organization to provide program services. Revenue with respect to these awards is recognized to the extent of expenses incurred under the award terms. Funds received in advance are accounted for as refundable advances in the statements of financial position. Amounts that are spent in accordance with contract requirements, but not yet received, are accounted for as government grants receivable in the statements of financial position.

Contributions are recognized as revenue when they are received or unconditionally pledged. Conditional contributions are not recognized until conditions are substantially met or explicitly waived by the donor or grantor. Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the monies from the promises are to be received.

All contributions are available for use unless specifically restricted by the donor. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions.

**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)**

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***In-kind Revenue:***

In-kind revenues are reflected as contributions at their estimated fair values on the date of receipt. Voluntary donations of services are recorded when those services create or enhance nonfinancial assets or require specialized skills provided by individuals possessing those skills and which would typically be purchased if not provided by donation. During the year ended June 30, 2022, the Organization recognized \$9,800 of in-kind revenue for special events. During the year ended June 30, 2021, the Organization recognized approximately \$21,800 of in-kind revenue for various professional services, respectively. These contributions are recorded as revenue and related expenses in the statements of activities and changes in net assets.

The Organization also regularly receives services from volunteers who are not acting in a professional capacity. These services do not meet the criteria for financial statement recognition and are not included in the financial statements.

***Income Taxes:***

The Organization is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Organization follows standards that provide clarification on accounting for uncertainty in income taxes recognized in the Organization's financial statements. The guidance prescribes a recognition threshold and measurement attribute for the recognition and measurement of a tax position taken, or expected to be taken, in a tax return, and also provides guidance on derecognition, classification, interest and penalties, disclosure and transition. The Organization's policy is to recognize interest and penalties on unrecognized tax benefits in income tax expense. No interest and penalties were recorded during the fiscal years ended June 30, 2022 and 2021. At June 30, 2022 and 2021, there were no significant income tax uncertainties.

***Use of Estimates:***

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

***Recent Accounting Pronouncements:***

In February 2016, the Financial Accounting Standards Board issued an accounting pronouncement, *Leases*, which requires lessees to recognize a right-of-use asset and lease liability on the statement of financial position for all leases with a term longer than 12 months. Under this new pronouncement, a modified retrospective transition approach or a cumulative-effect adjustment transition approach may be used, and the new standard is applied to all leases existing at the date of initial application. An organization may choose to use either (1) its effective date, or (2) the beginning of the earliest comparative period presented in the financial statements as its date of initial application. The pronouncement is effective for annual periods beginning after December 15, 2021. Earlier adoption is permitted subject to certain limitations. The Organization is currently evaluating the effect the new pronouncement will have on its financial statements.

**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)**

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***Subsequent Events:***

The Organization has evaluated events and transactions subsequent to June 30, 2022 through October 26, 2022, the date the financial statements were available to be issued.

**NOTE 3 - CONTRIBUTIONS RECEIVABLE:**

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Contributions receivable consist of the following:

	<b>June 30,</b>	
	<b>2022</b>	<b>2021</b>
Foundation grants	\$ 256,120	\$ 467,240
Public contributions	207,368	126,301
Contributions Receivable	<u>\$ 463,488</u>	<u>\$ 593,541</u>

All amounts are due within one year.

**NOTE 4 - GOVERNMENT GRANTS RECEIVABLE:**

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Government grants receivable consist of the following:

	<b>June 30,</b>	
	<b>2022</b>	<b>2021</b>
Department of Justice	\$ 218,409	\$ 176,125
New York City--City Hall	308,990	245,705
New York State	235,008	-
Other	31,255	12,600
Government Grants Receivable	<u>\$ 793,662</u>	<u>\$ 434,430</u>

**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE 5 - PROPERTY AND EQUIPMENT:**

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Property and equipment consists of the following:

	<b>June 30,</b>	
	<b>2022</b>	<b>2021</b>
Leasehold improvements	\$ 10,360	\$ 10,360
Equipment	3,542	3,542
	<u>13,902</u>	<u>13,902</u>
Less: Accumulated Depreciation	(13,543)	(11,810)
Property and Equipment, net	<u>\$ 359</u>	<u>\$ 2,092</u>

**NOTE 6 - PAYCHECK PROTECTION PROGRAM LOAN:**

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The Organization obtained a Paycheck Protection Program (“PPP”) loan under the CARES Act in April 2020 for \$167,600. The Organization recorded the PPP funds received as a conditional government grant and recognized the revenue when the Organization received formal forgiveness from the Small Business Administration (“SBA”). During the year ended June 30, 2021, all amounts received under the PPP were expended and recognized as a government grant on the statements of activities and changes in net assets and the Organization received formal forgiveness of the PPP loan for its full amount in April 2021. The SBA reserves the right to audit loan forgiveness for six years from the date forgiveness was awarded.

**NOTE 7 - REFUNDABLE ADVANCE:**

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Refundable advance consisted of the following:

	<b>June 30,</b>	
	<b>2022</b>	<b>2021</b>
Federal Emergency Management Agency	<u>\$ -</u>	<u>\$ 10,313</u>

**NOTE 8 - LINE OF CREDIT:**

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The Organization has a revolving line of credit with a bank in the amount of \$50,000. The line of credit is secured by a security interest in substantially all of the assets of the Organization. Borrowings under the revolving line of credit bear interest at the Wall Street Journal Prime Rate plus 3.00% (3.25% at June 30, 2022). At June 30, 2022 and 2021, there were no outstanding borrowings under the revolving line of credit.



**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE 9 - FUNCTIONAL EXPENSES:**

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The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated are summarized below. All other expenses are direct costs.

<b>Expense Item</b>	<b>Allocation method</b>
Salaries and wages	Time and effort studies
Payroll taxes and fringe benefits	Time and effort studies
Professional fees	Direct cost and full time equivalent allocation
Insurance	Full time equivalent allocation
Communications	Direct cost and time and effort studies
Travel	Direct cost and time and effort studies
Occupancy	Direct cost and full time equivalent allocation
Office expenses	Direct cost and full time equivalent allocation
Depreciation	Direct cost and time and effort studies
In-kind donations	Direct cost and full time equivalent allocation

**NOTE 10 - NET ASSETS WITH DONOR RESTRICTIONS:**

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Net assets with donor restrictions consist of the following:

	<b>June 30,</b>	
	<b>2022</b>	<b>2021</b>
Time restrictions	\$ 190,304	\$ 595,630
Purpose restrictions:		
COVID-19	548	6,061
Youth empowerment	-	179,228
Education	13,650	7,338
Food justice	-	10,000
Housing	-	99,309
Capacity building	1,500	7,500
Mental health	8,000	-
Relocation of gender-based violence survivors	241,977	-
Domestic violence survivors	83,748	-
Office equipment	9,873	-
Net Assets with Donor Restrictions	<u>\$ 549,600</u>	<u>\$ 905,066</u>

**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE 10 - NET ASSETS WITH DONOR RESTRICTIONS: (Continued)**

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Net assets with donor restrictions released consisted of the following:

	<b>Year Ended June 30,</b>	
	<b>2022</b>	<b>2021</b>
Time restrictions	\$ 590,326	\$ 290,230
Purpose restrictions:		
COVID-19	5,513	149,797
Finance	-	55,000
Scholarship	-	5,400
Office equipment	1,127	10,000
Youth empowerment	104,228	140,772
Undocumented workers program	-	3,400
Education	6,000	1,500
Food justice	20,000	5,000
Housing	109,309	56,411
Mental health	12,000	-
Love is healing	35,000	-
Hurricane Ida relief	15,000	-
Website redesign	15,000	-
HMIS Database	1,000	-
Domestic violence survivors	16,252	-
Relocation of gender-based violence survi	88,023	-
Capacity building	3,450	-
	<u>\$ 1,022,228</u>	<u>\$ 717,510</u>

**NOTE 11 - CONCENTRATIONS OF CREDIT RISK:**

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The Organization receives a large portion of its funding from various federal and local governmental agencies. The operations of the Organization are subject to the administrative directives, rules and regulations of federal, state, and local regulatory agencies. Such administrative directives, rules and regulations are subject to changes that may occur because of inadequate funding with little notice to pay for the related costs, including the additional administrative burden, to comply with a change.

The Organization is subject to audits by certain federal and local awarding agencies which may result in findings based on various issues. Anticipation of potential audit results is currently not determinable. Accordingly, no accruals have been recorded in the financial statements for any adjustments that might be required based on such audits.

**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE 12 - CONCENTRATIONS OF CREDIT RISK AND UNCERTAINTIES:**

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The Organization maintains cash in deposit accounts with various financial institutions. At times, the balances in these accounts may be in excess of federally insured limits. The Organization has not experienced any losses in such accounts because of uninsured deposits.

The Organization considers any support and revenue received from one entity in excess of 10% of the Organization's total revenue to be a concentration. Approximately 31% and 44% of the Organization's total revenue and other support were provided by two government sources for the years ended June 30, 2022 and 2021, respectively.

The Organization also received approximately 10% of its contributions from one donor for the year ended June 30, 2022.

The Organization is continuing to monitor the COVID-19 outbreak and its potential impact on its employees, volunteers, donors, and operations. It is not known at this time how much effect the virus will have on operations and/or financial results. The potential impact of COVID-19 is not foreseeable due to various uncertainties, including the severity of the disease, the duration of the outbreak, and actions that may be taken by governmental authorities.

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**NOTE 13 - OPERATING LEASE AGREEMENTS:**

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The Organization leases office space under several operating leases with various expiration dates through 2025 and escalating payments. Rent expense includes real estate taxes and certain utilities and other charges allocated to the Organization by the lessors. Rent expense for office space for the years ended June 30, 2022 and 2021, totaled \$148,764 and \$125,663, respectively, and is included in occupancy on the statements of functional expenses.

Future minimum lease payments due under existing lease agreements for office space as of June 30, 2022, are as follows:

<b><u>Year Ending June 30,</u></b>	
2023	\$ 118,272
2024	70,524
2025	47,640
	<u>\$ 236,436</u>

**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE 14 - LIQUIDITY AND AVAILABILITY:**

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The following represents the Organization's financial assets reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations.

	<b>June 30,</b>	
	<b>2022</b>	<b>2021</b>
Cash and cash equivalents	\$ 808,311	\$ 801,855
Contributions receivable	463,488	593,541
Government grants receivable	793,662	434,430
Total financial assets	2,065,461	1,829,826
Less amounts not available to be used within one year:		
Net assets with donor restrictions	(549,600)	(905,066)
Amounts expected to be released within one year	175,304	595,630
Financial assets available to meet general expenditures over the next 12 months	<u>\$ 1,691,165</u>	<u>\$ 1,520,390</u>

The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. As part of its liquidity plan, excess cash is invested in short-term investments, such as money market accounts. The Organization also has a \$50,000 line of credit which is fully available.

**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR YEAR ENDED JUNE 30, 2022**

<b>Federal Grantor Pass-through Grantor Program Title</b>	<b>Federal ALN Number</b>	<b>Contract Period</b>	<b>Pass-through Grantor's Number</b>	<b>Contract Amount</b>	<b>Disbursements/ Expenditures</b>
<b>U.S. Department of Housing and Urban Development</b>					
<u>Direct Award</u>					
Continuum of Care Program	14.267	04/01/2021 - 06/30/2022	NY1276D2T001900	\$ 479,112	\$ 248,798
<b>U.S. Department of Justice: Office on Violence Against Women</b>					
<u>Direct Award</u>					
Grant to Enhance Culturally Specific Services for Victims of Sexual Assault, Domestic Violence, and Stalking Program Solicitation	16.016	01/01/2021 - 09/30/2022	2018-UW-AX-0010	299,954	137,449
Transitional Housing Assistance for Victims of Domestic Violence, Dating Violence, Stalking, or Sexual Assault	16.736	10/01/2018 - 09/30/2021	2018-WH-AX-0057	465,243	58,191
Transitional Housing Assistance for Victims of Domestic Violence, Dating Violence, Stalking, or Sexual Assault	16.736	10/01/2021 - 09/30/2025	2018-WH-AX-0057	587,540	87,460
				<u>1,052,783</u>	<u>145,651</u>
Direct Award:					
Sexual Assault Services Culturally Specific Program Solicitation	16.023	10/01/2017 - 09/30/2021	2017-KS-AX-0011	300,000	33,831
Sexual Assault Services Culturally Specific Program Solicitation	16.023	10/01/2021 - 09/30/2023	2017-KS-AX-0011	288,300	65,954
				<u>588,300</u>	<u>99,785</u>
Passed through Queens Legal Services Legal Assistance for Victims Grant Program	16.524	10/01/2020 - 09/30/2023	2017-WL-AX-0018	45,000	15,650
Passed through Legal Aid Society VAWA Legal Aid Society	16.524	10/01/2020 - 09/30/2023	15JOVW-21-GG-00383-LEGA	14,000	5,000
				<u>59,000</u>	<u>20,650</u>
<b>Total U.S. Department of Justice: Office on Violence Against Women</b>				<b><u>2,000,037</u></b>	<b><u>403,535</u></b>
<b>U.S. Department of Justice: Office of Justice Programs</b>					
Passed through the New York Office of Victim Services					
Federal VOCA Victim and Witness Assistance Grant Program	16.575	10/01/2019 - 09/30/2022	OVS01-C11061GG-1080200	1,581,945	670,709
<b>Total U.S. Department of Justice: Office of Justice Programs</b>				<b><u>1,581,945</u></b>	<b><u>670,709</u></b>
<b>U.S. Department of Health and Human Services</b>					
Passed through the New York Office for the Prevention of Domestic Violence					
Pandemic Emergency Assistance Program (PEAF)	93.558	03/01/2022 - 05/31/2022	PDV01-PEAF-2022-00072	113,805	113,805
<b>U.S. Department of Homeland Security, Federal Emergency Management Agency</b>					
Passed through United Way of New York City					
Emergency Food and Shelter Program Phase 38	97.024	01/01/2020 - 10/31/2021	631400858	25,000	22,813
<b>Total Federal Awards</b>				<b>\$ 4,199,899</b>	<b>\$ 1,459,660</b>

**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS**  
**JUNE 30, 2022**

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**NOTE 1 - BASIS OF PRESENTATION:**

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The accompanying schedule of expenditures of federal awards include the federal grant activity of Sakhi for South Asian Women, Inc. ("Organization") under programs of federal government for the year ended June 30, 2022. The information in the schedule of expenditures of federal awards is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Therefore, some amounts presented in this schedule may differ in amounts presented in, or used in the preparation of, the financial statements.

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**NOTE 2 - SUBRECIPIENTS:**

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During the year ended June 30, 2022, the Organization did not provide any funds relating to their federal and state programs to subrecipients.

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**NOTE 3 - INDIRECT COSTS:**

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The Organization used the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

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**NOTE 4 - LOAN AND LOAN GUARANTEE PROGRAMS:**

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As of June 30, 2022, the Organization did not have any loan or loan guarantee programs.

## INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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To the Board of Directors  
Sakhi for South Asian Women, Inc.  
New York, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America, the financial statements of Sakhi for South Asian Women, Inc. ("Organization"), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 26, 2022.

### Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Organization's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the Organization's internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Sobel & Co, LLC".

Certified Public Accountants

Livingston, New Jersey  
October 26, 2022



## **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR THE MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors  
Sakhi for South Asian Women, Inc.  
New York, New York

### **Report on Compliance for the Major Program**

#### ***Opinion on the Major Federal Program***

We have audited Sakhi for South Asian Women, Inc.'s ("Organization") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget's *Compliance Supplement* that could have a direct and material effect on the Organization's major program for the year ended June 30, 2022. The Organization's major program is identified in the Summary of Auditors' Results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major program for the year ended June 30, 2022.

#### ***Basis for Opinion on the Major Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Our responsibilities under those standard and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit Compliance section of our report.

We are required to be independent of Sakhi for South Asian Women, Inc. and to meet our ethical responsibilities, in accordance with relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance on the major federal program. Our audit does not provide a legal determination of Sakhi for South Asian Women, Inc.'s compliance with the compliance requirements referred to above.

#### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, regulations, rules, and provisions of contracts or grant agreements applicable to Sakhi for South Asian Women, Inc.'s federal programs.

### ***Auditors' Responsibility for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Sakhi for South Asian Women, Inc.'s compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Sakhi for South Asian Women, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Sakhi for South Asian Women, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Sakhi for South Asian Women, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Sakhi for South Asian Women, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Report on Internal Control Over Compliance***

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Certified Public Accountants

Livingston, New Jersey  
October 26, 2022



**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2022**

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**II. Financial Statement Findings**

NONE

**III. Compliance Findings**

NONE

**IV. Follow-up of Prior-year Audit Findings**

NONE