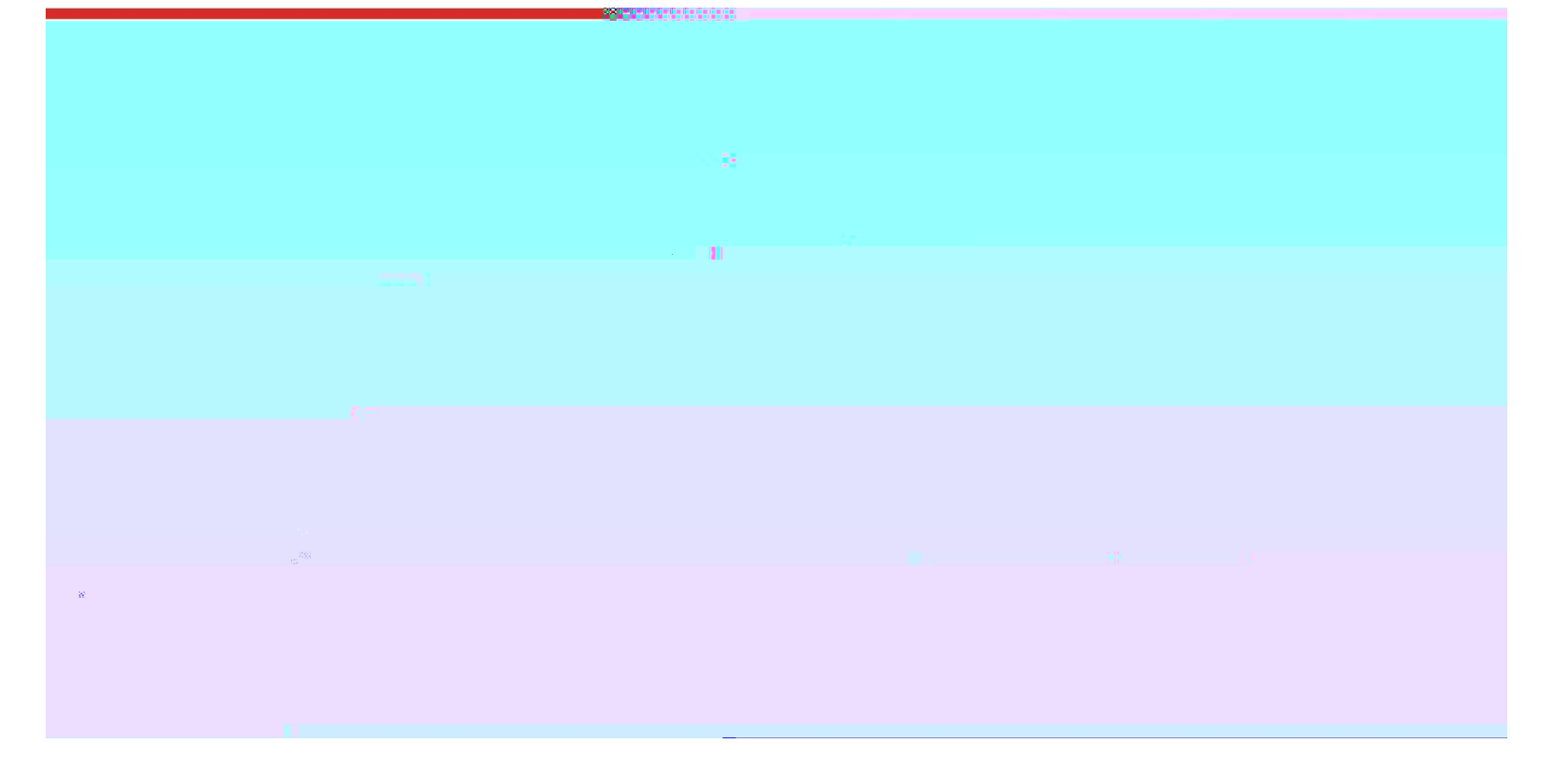




Independent Auditor's Report and Financial Statements

June 30, 2023 and 2022



Independent Auditor's Report

Board of Trustees
The American-Scandinavian Foundation
New York, New York

Opinion

We have audited the financial statements of The American-Scandinavian Foundation, which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The American-Scandinavian Foundation as of June 30, 2023 and 2022, 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 (GAAS). 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 The American-Scandinavian Foundation 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 American-Scandinavian Foundation's ability to continue as a going concern within one year after the date that these financial statements are available to be issued.

The American-Scandinavian Foundation
Statements of Financial Position
June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash and cash equivalents	\$ 1,059,742	\$ 1,120,163
Investments	35,290,720	34,028,891
Accounts receivable	296,094	145,202
Receivable from King Street Capital L.P.	64,527	57,741
Inventory	43,063	70,438
Prepaid expenses	466,239	240,983
Property and equipment	<u>12,742,138</u>	<u>13,092,941</u>
Total assets	<u>\$ 49,962,523</u>	<u>\$ 48,756,359</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 290,711	\$ 265,504
Deferred revenues	127,321	31,538
Grants payable	<u>783,156</u>	<u>1,366,398</u>
Total liabilities	<u>1,201,188</u>	<u>1,663,440</u>
Net Assets		
Without donor restrictions		
Operating	937,876	748,419
Board designated	5,219,565	5,084,958
Plant fund	<u>12,742,138</u>	<u>13,092,941</u>
Total without donor restrictions	18,899,579	18,926,318
With donor restrictions	<u>29,861,756</u>	<u>28,166,601</u>
Total net assets	<u>48,761,335</u>	<u>47,092,919</u>
Total liabilities and net assets	<u>\$ 49,962,523</u>	<u>\$ 48,756,359</u>

The American-Scandinavian Foundation
Statements of Activities
Years Ended June 30, 2023 and 2022

	Without Restrictions	With Donor Restrictions	Total	Without Restrictions	With Donor Restrictions	Total
Revenues, Gains, and Other Support						
Contributions	\$ 539,338	\$ 1,219,500	\$ 1,758,838	\$ 631,592	\$ 856,350	\$ 1,487,942
Special event	435,000	-	435,000	267,500	-	267,500
Less direct costs of special event	(121,139)	-	(121,139)	(108,751)	-	(108,751)
Total net special event	313,861	-	313,861	158,749	-	158,749
Membership dues	137,596	-	137,596	106,120	-	106,120
Net investment return designated for current operations	540,157	1,413,051	1,953,208	538,990	1,415,025	1,954,015
Exchange program fees	67,700	-	67,700	54,340	-	54,340
Advertising and publishing	240	-	240	6,497	-	6,497
Ancillary service fees	569,904	-	569,904	278,421	-	278,421
Gift shop	280,434	-	280,434	183,192	-	183,192
Less direct costs of goods sold	(154,239)	-	(154,239)	(98,392)	-	(98,392)
Total net gift shop	126,195	-	126,195	84,800	-	84,800
Program fees	188,540	-	188,540	69,303	-	69,303
Net assets released from restrictions	1,538,944	(1,538,944)	-	2,023,855	(2,023,855)	-
Total revenues, gains, and other support	4,022,475	1,093,607	5,116,082	3,952,667	247,520	4,200,187
Expenses						
Program services						
Training and fellowship programs	907,841	-	907,841	1,372,956	-	1,372,956

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**The American-Scandinavian Foundation
Statements of Functional Expenses
Years Ended June 30, 2023 and 2022**

	Training and Fellowship Programs	Membership	Public Programs	Publications	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
Expenses									
Salaries	\$ 85,507	\$ 63,394	\$ 1,014,120	\$ 4,625	\$ 1,167,646	\$ 277,048	\$ 150,504	\$ 427,552	\$ 1,595,198
Payroll taxes and employee benefits	14,537	14,425	327,887	1,285	358,134	58,674	63,061	121,735	479,869
Total personnel costs	100,044	77,819	1,342,007	5,910	1,525,780	335,722	213,565	549,287	2,075,067
Fellowships and grants	656,052	-	-	-	656,052	-	-	-	656,052
Honoraria	4,500	-	950	-	5,450	-	-	-	5,450
Advertising	150	-	859	-	1,009	-	-	-	1,009
Office supplies	4,757	331	23,179	-	28,267	7,997	219	8,216	36,483
Printing and duplicating	-	20,343	9,267	10,653	40,263	415	9,423	9,838	50,101
Computer maintenance	1,311	525	42,074	525	44,435	7,868	2,360	10,228	54,663
Telephone and internet provider	949	380	28,858	380	30,567	5,696	1,709	7,405	37,972
Postage and shipping	3,628	169	13,914	5,773	23,484	2,047	1,587	3,634	27,118
Building insurance	1,881	753	57,194	753	60,581	11,288	3,387	14,675	75,256
Officers' insurance	-	-	-	-	-	14,907	-	14,907	14,907
Professional fees	91,543	-	135,937	14,000	241,480	54,476	4,131	58,607	300,087
Travel and representation	23,667	-	43,463	-	67,130	1,185	1,053	2,238	69,368
Receptions and meetings	1,731	728	25,136	-	27,595	4,738	1,056	5,794	33,389
Bank processing and filing fees	4,814	195	56,980	195	62,184	2,919	876	3,795	65,979
Event catering	-	-	-	-	-	-	121,139	121,139	121,139
Depreciation	14,872	5,949	452,114	5,949	478,884	89,232	26,770	116,002	594,886
Occupancy expense	12,814	5,126	393,630	5,126	416,696	76,886	23,066	99,952	516,648
Cost of goods sold	-	-	154,239	-	154,239	-	-	-	154,239
Total expenses	922,713	112,318	2,779,801	49,264	3,864,096	615,376	410,341	1,025,717	4,889,813
Less nonoperating expenses and expenses deducted from revenues on the statements of activities									
Direct expenses of special event	-	-	-	-	-	-	(121,139)	(121,139)	(121,139)
Depreciation	(14,872)	(5,949)	-	-	-	-	-	-	(20,821)

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The American-Scandinavian Foundation
Statements of Cash Flows
Years Ended June 30, 2023 and 2022

	2023	2022
Operating Activities		
Change in net assets	\$ 1,668,416	\$ (7,266,164)
Items not requiring (providing) operating cash flows		
Depreciation	594,886	560,817

Note 1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

The American-Scandinavian Foundation (the Foundation) is a publicly supported, nonprofit organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. However, the Foundation is subject to federal income tax on any unrelated business taxable income. The Foundation promotes international

**The American-Scandinavian Foundation
Notes to Financial Statements**

The American-Scandinavian Foundation
Notes to Financial Statements
June 30, 2023 and 2022

Grants Payable

Grants payable represent amounts approved for grants that are to be paid in future periods. Grants payable are generally paid within one to two years. Currently, due to the public health emergency and travel restrictions, certain grants awarded are still outstanding beyond two years.

Deferred Revenue

Deferred revenue represents contract liabilities for the Foundation's obligation to transfer exchange program activities and ancillary services to those the Foundation contracts with when consideration has already been received from the customer. The consideration received is deferred and recognized over the periods to which the fees relate. These contract liabilities are generally earned within one year. Revenue recognized in 2022 related to contract liabilities as of June 30, 2021 was \$159,551.

Functional Allocation of Expenses

The costs of supporting the various programs and other activities have been summarized on a functional basis in the statements of activities. Certain costs have been allocated among the program, management and general, and fundraising categories based on the direct allocation method and allocation of indirect costs, consisting of operations and maintenance costs, based on cost allocation techniques such as usage and time and effort.

Measure of Operations

The measure of operations includes all revenues and expenses relating to programs services and services supporting operations of the Foundation. Net investment return in excess of amounts designated for current operations, nonoperating expenses, contributions for long-term investment, and depreciation expense, as well as net asset well as

The American-Scandinavian Foundation
Notes to Financial Statements
June 30, 2023 and 2022

Recurring Measurements

The following tables present the fair value measurements of assets recognized in the accompanying statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at June 30, 2023 and 2022:

The American-Scandinavian Foundation
Notes to Financial Statements
June 30, 2023 and 2022

	Total (A)	Fair Value Measurements Using Quoted Prices in Active Markets for Identical Assets (Level 1)	Investments Measured at NAV (A)
Vanguard Money Market Funds			
Total Return Fund	\$ 219,299	\$ 219,299	\$ -
Federal Money Market Fund	398,612	398,612	-
Total Bond Market Index Institutional Fund	2,478,903	2,478,903	-
Equity Income Fund Admiral Shares	1,341,876	1,341,876	-
Explorer Fund Admiral Shares	530,336	530,336	-
Intermediate-Term Investment Grade Fund Admiral Shares	882,772	882,772	-
International Growth Fund Admiral Shares	1,611,480	1,611,480	-
International Value Fund	1,995,594	1,995,594	-
Long-Term Investment-Grade Fund Admiral Shares	990,866	990,866	-
PRIMECAP Fund Admiral Shares	2,998,586	2,998,586	-
Short-Term Investment-Grade Fund Admiral Shares	4,748,023	4,748,023	-
Total International Stock Index Fund Admiral Shares	3,884,493	3,884,493	-
Total Stock Market Index Fund Admiral Shares	5,596,581	5,596,581	-
U.S. Growth Fund Admiral Shares	860,063	860,063	-
Equity securities	911	911	-

(A) The money market account and investments measured at fair value using NAV per share practical expedient have not been classified in the fair value hierarchy. The totals included above are intended to

The American-Scandinavian Foundation
Notes to Financial Statements
June 30, 2023 and 2022

Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy.

Note 3. Net Assets

Net Assets with Donor Restrictions

Net assets with donor restrictions at June 30, 2023 and 2022 are restricted

Note 4. Endowment

Note 5. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of June 30, 2023 and 2022, comprise the following:

2023

2022

The Foundation receives significant contributions restricted by donors and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to not be available to meet cash needs for general expenditures. Donor restricted funds are not classified as financial assets available to meet cash needs for general expenditures within one year, however, the Foundation could seek from donors to have

