FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
To the Board of Directors of
Observer Research Foundation America

Opinion
We have audited the accompanying financial statements of Observer Research Foundation America (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities and changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Observer Research Foundation America as of December 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Observer Research Foundation America 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.

Prior Period Financial Statements
The financial statements of Observer Research Foundation America as of December 31, 2021 were audited by other auditors whose report dated June 21, 2022 expressed an unmodified opinion on those statements.

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 Observer Research Foundation America ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor’s Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute
assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Observer Research Foundation America’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 Observer Research Foundation America’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.

April 17, 2023
## OBSERVER RESEARCH FOUNDATION AMERICA
### STATEMENTS OF FINANCIAL POSITION
#### DECEMBER 31, 2022 AND 2021

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$ 1,184,180</td>
<td>$ 1,080,297</td>
</tr>
<tr>
<td>Grant Receivable</td>
<td>6,000</td>
<td>70,000</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td><strong>1,190,180</strong></td>
<td><strong>1,150,297</strong></td>
</tr>
<tr>
<td>Other Assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Right of Use Asset - Operating</td>
<td>642,633</td>
<td>793,609</td>
</tr>
<tr>
<td>Security Deposit</td>
<td>80,657</td>
<td>80,657</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$ 1,913,470</td>
<td>$ 2,024,563</td>
</tr>
</tbody>
</table>

| **LIABILITIES AND NET ASSETS** |            |            |
| Current Liabilities:         |            |            |
| Accounts Payable and Accured Expenses | $ 593  | $ 20,427 |
| Operating Lease Liability, Current Portion | 161,725  | 80,183  |
| **Total Current Liabilities**| 162,318    | 100,610    |
| Other Liabilities:           |            |            |
| Operating Lease Liability, Net of Current Portion | 577,054 | 739,653 |
| **Total Other Liabilities**  | 577,054    | 739,653    |
| Total Liabilities            | 739,372    | 840,263    |
| Net Assets:                  |            |            |
| Without Donor Restrictions   | 465,571    | 508,293    |
| With Donor Restrictions      | 708,527    | 676,007    |
| **Total Net Assets**         | 1,174,098  | 1,184,300  |
| **Total Liabilities and Net Assets** | $ 1,913,470 | $ 2,024,563 |

See auditor’s report and accompanying notes to financial statements.
## OBSERVER RESEARCH FOUNDATION AMERICA
### STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
#### FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

<table>
<thead>
<tr>
<th></th>
<th>2022 Without Donor Restrictions</th>
<th>2022 With Donor Restrictions</th>
<th>2022 Total</th>
<th>2021 Without Donor Restrictions</th>
<th>2021 With Donor Restrictions</th>
<th>2021 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contribution Income</td>
<td>$1,384,571</td>
<td>$858,523</td>
<td>$2,243,094</td>
<td>$1,658,640</td>
<td>$676,007</td>
<td>$2,334,647</td>
</tr>
<tr>
<td>Net Investment Income</td>
<td>40</td>
<td>-</td>
<td>40</td>
<td>18</td>
<td>-</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>$1,384,611</td>
<td>$858,523</td>
<td>$2,243,134</td>
<td>$1,658,658</td>
<td>$676,007</td>
<td>$2,334,665</td>
</tr>
<tr>
<td><strong>OPERATING EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program Services</td>
<td>1,645,745</td>
<td>-</td>
<td>1,645,745</td>
<td>969,282</td>
<td>-</td>
<td>969,282</td>
</tr>
<tr>
<td>Management and general</td>
<td>472,290</td>
<td>-</td>
<td>472,290</td>
<td>260,795</td>
<td>-</td>
<td>260,795</td>
</tr>
<tr>
<td>Fundraising</td>
<td>135,301</td>
<td>-</td>
<td>135,301</td>
<td>72,421</td>
<td>-</td>
<td>72,421</td>
</tr>
<tr>
<td></td>
<td>2,253,336</td>
<td>-</td>
<td>2,253,336</td>
<td>1,302,498</td>
<td>-</td>
<td>1,302,498</td>
</tr>
<tr>
<td><strong>NET OPERATING INCOME (LOSS)</strong></td>
<td>(868,725)</td>
<td>858,523</td>
<td>(10,202)</td>
<td>356,160</td>
<td>676,007</td>
<td>1,032,167</td>
</tr>
<tr>
<td><strong>NONOPERATING INCOME AND TRANSFERS AND RECLASSIFICATIONS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>826,003</td>
<td>(826,003)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>CHANGE IN NET ASSETS</td>
<td>(42,722)</td>
<td>32,520</td>
<td>(10,202)</td>
<td>356,160</td>
<td>676,007</td>
<td>1,032,167</td>
</tr>
<tr>
<td>NET ASSETS - BEGINNING</td>
<td>508,293</td>
<td>676,007</td>
<td>1,184,300</td>
<td>152,133</td>
<td>-</td>
<td>152,133</td>
</tr>
<tr>
<td>NET ASSETS - ENDING</td>
<td>$465,571</td>
<td>$708,527</td>
<td>$1,174,098</td>
<td>$508,293</td>
<td>$676,007</td>
<td>$1,184,300</td>
</tr>
</tbody>
</table>

See auditor’s report and accompanying notes to financial statements.
<table>
<thead>
<tr>
<th>Category</th>
<th>Program Services</th>
<th>General and Administrative</th>
<th>Fundraising</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>$746,277</td>
<td>$300,828</td>
<td>$96,225</td>
<td>$1,143,330</td>
</tr>
<tr>
<td>Contractors</td>
<td>88,093</td>
<td>7,820</td>
<td>-</td>
<td>95,913</td>
</tr>
<tr>
<td>Office and IT</td>
<td>186,046</td>
<td>41,860</td>
<td>6,375</td>
<td>234,281</td>
</tr>
<tr>
<td>Program Costs</td>
<td>555,491</td>
<td>4,337</td>
<td>29,025</td>
<td>588,853</td>
</tr>
<tr>
<td>Research &amp; Publications</td>
<td>-</td>
<td>15,324</td>
<td>-</td>
<td>15,324</td>
</tr>
<tr>
<td>Communications and Outreach</td>
<td>69,838</td>
<td>9,706</td>
<td>3,676</td>
<td>83,220</td>
</tr>
<tr>
<td>Administration, Legal, and Accounting</td>
<td>-</td>
<td>88,937</td>
<td>-</td>
<td>88,937</td>
</tr>
<tr>
<td>Business Development</td>
<td>-</td>
<td>3,478</td>
<td>-</td>
<td>3,478</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$1,645,745</td>
<td>$472,290</td>
<td>$135,301</td>
<td>$2,253,336</td>
</tr>
</tbody>
</table>

See auditor’s report and accompanying notes to financial statements.
### OBSERVER RESEARCH FOUNDATION AMERICA
### STATEMENT OF FUNCTIONAL EXPENSES
### FOR THE YEAR ENDED DECEMBER 31, 2021

<table>
<thead>
<tr>
<th>Category</th>
<th>Program Services</th>
<th>General and Administrative</th>
<th>Fundraising</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>$666,437</td>
<td>185,222</td>
<td>64,867</td>
<td>$916,526</td>
</tr>
<tr>
<td>Contractors</td>
<td>32,910</td>
<td>12,670</td>
<td>-</td>
<td>45,580</td>
</tr>
<tr>
<td>Office and IT</td>
<td>87,341</td>
<td>27,953</td>
<td>6,395</td>
<td>121,689</td>
</tr>
<tr>
<td>Program Costs</td>
<td>170,399</td>
<td>3,981</td>
<td>269</td>
<td>174,649</td>
</tr>
<tr>
<td>Research and Publications</td>
<td>-</td>
<td>1,119</td>
<td>-</td>
<td>1,119</td>
</tr>
<tr>
<td>Communication and Outreach</td>
<td>12,195</td>
<td>5,725</td>
<td>890</td>
<td>18,810</td>
</tr>
<tr>
<td>Administration, Legal, and Accounting</td>
<td>-</td>
<td>21,235</td>
<td>-</td>
<td>21,235</td>
</tr>
<tr>
<td>Business Development</td>
<td>-</td>
<td>2,890</td>
<td>-</td>
<td>2,890</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$969,282</strong></td>
<td><strong>$260,795</strong></td>
<td><strong>$72,421</strong></td>
<td><strong>$1,302,498</strong></td>
</tr>
</tbody>
</table>

See auditor's report and accompanying notes to financial statements.
### Statements of Cash Flows

For the years ended December 31, 2022 and 2021

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CASH FLOWS FROM OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in Net Assets</td>
<td>$(10,202)</td>
<td>$1,032,167</td>
</tr>
<tr>
<td>Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Changes in Operating Assets and Liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Right of Use Asset - Operating</td>
<td>150,976</td>
<td>(793,609)</td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>64,000</td>
<td>(70,000)</td>
</tr>
<tr>
<td>Security Deposit</td>
<td>-</td>
<td>(80,657)</td>
</tr>
<tr>
<td>Accounts Payable and Accrued Expenses</td>
<td>(19,834)</td>
<td>20,427</td>
</tr>
<tr>
<td>Operating Lease Liability</td>
<td>(81,057)</td>
<td>819,836</td>
</tr>
<tr>
<td><strong>Net Cash Provided by Operating Activities</strong></td>
<td><strong>103,883</strong></td>
<td><strong>928,164</strong></td>
</tr>
<tr>
<td><strong>CASH FLOWS FROM INVESTING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CASH FLOWS FROM FINANCING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Increase in Cash</td>
<td>103,883</td>
<td>928,164</td>
</tr>
<tr>
<td>Cash, Beginning of Year</td>
<td>1,080,297</td>
<td>152,133</td>
</tr>
<tr>
<td>Cash, End of Year</td>
<td><strong>$1,184,180</strong></td>
<td><strong>$1,080,297</strong></td>
</tr>
</tbody>
</table>

See auditor’s report and accompanying notes to financial statements.
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Observer Research Foundation America (ORF America), incorporated in the District of Columbia in August 2020, is an independent, non-partisan, and non-for-profit organization dedicated to addressing policy challenges facing the United States of America, India and their partners in a changing world environment. ORF America received its initial funding in December 2020. ORF America produces research, provides platforms and develops networks for cooperation between the developed and developing worlds based on common values and shared interests. Its area of focus are international affairs, technology, climate and energy, and economics.

Basis of Accounting

The financial statements of the ORF America have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Accordingly, the financial statements reflect all significant receivables, payables and other liabilities.

Recent Accounting Pronouncements Adopted

ORF America has adopted Accounting Standards Update (ASU) No. 2016-02, Leases (Topic 842), as amended, as management believes the standard improves the usefulness and understandability of ORF America’s financial reporting. Analysis of various provisions of this standard resulted in no significant changes in the way ORF America recognizes lease expense, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis. The presentation and disclosure of lease expense, right of use, and lease obligations have been enhanced in accordance with the standard.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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.

Cash and Cash Equivalents

For the purposes of the statements of cash flows, ORF America considers cash on hand, cash in banks, and cash invested with a short-term maturity of three months or less to be cash equivalents. ORF America maintains cash in bank deposit amounts, which, at times, may exceed federally insured limits. ORF America has not experienced any losses in such accounts. ORF America believes it is not exposed to any significant credit risk on cash.
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets

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

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Income Taxes

The Organization is a nonprofit corporation whose revenue is derived from contributions and other fundraising activities and is not subject to federal or state income taxes. The Organization is exempt under Section 501(c)(3) of the Internal Revenue Code. The Organization’s informational return filings are subject to audit by the Internal Revenue Service, generally for three years after filing.

Contributions and Unconditional Promises to Give

Unconditional contributions are recognized when the donor makes a promise to give to ORF America that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the year in which contributions are recognized. All other donor-restricted contributions may be reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without restrictions. ORF America had no unconditional promise to give as December 31, 2022.

ORF America records noncash contributions, if applicable, at their fair value at the date of contribution, when there is an objective basis available to measure fair value.
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statements of activities and changes in net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The statements of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area of the Organization are reported as expenses of those functional areas. Certain costs, such as some salary, payroll taxes, and employee benefits, are allocated based on estimates of staff time spent on each functional area.

Receivables

Receivables consist of grants receivable as of December 31, 2022 and 2021. ORF America uses the allowance method based on management’s analysis of specific receivables to determine uncollectible amounts. Accounts are written off when deemed uncollectible. There was no allowance for uncollectible receivables at December 31, 2022 and 2021. All receivables are considered collectible within one year.

Reclassification

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements. These changes have had no effect on the net income for the years ended December 31, 2022 and 2021.

Subsequent Events

ORF America evaluated subsequent events through the date that the financial statements were available to be issued. ORF America is not aware of any significant events that occurred subsequent to the statement of financial position date but prior to April 16, 2023 that would have a material impact on the financial statements.

NOTE 2 - LIQUIDITY AND AVAILABILITY

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization may at times utilize leases or debt for significant purchases.
NOTE 2 - LIQUIDITY AND AVAILABILITY (CONTINUED)

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>$1,184,180</td>
<td>$1,080,297</td>
</tr>
<tr>
<td>Pledge Receivable</td>
<td>6,000</td>
<td>70,000</td>
</tr>
<tr>
<td>Total Current Financial Assets at Year End</td>
<td>$1,190,180</td>
<td>$1,150,297</td>
</tr>
</tbody>
</table>

Amounts Unavailable for General Expenditures Within One Year, Due to:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted by Donors</td>
<td>(708,527)</td>
<td>(676,007)</td>
</tr>
<tr>
<td>Total Financial Assets Available for General Expenditure Within One Year</td>
<td>$481,653</td>
<td>$474,290</td>
</tr>
</tbody>
</table>

NOTE 3 - NET ASSETS WITH DONOR RESTRICTIONS

Net Assets with donor restrictions as of December 30 are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dutch MFA</td>
<td>$139,165</td>
<td>$236,880</td>
</tr>
<tr>
<td>Climate Works</td>
<td>-</td>
<td>22,500</td>
</tr>
<tr>
<td>Smith Richardson Foundation</td>
<td>119,827</td>
<td>-</td>
</tr>
<tr>
<td>Children’s Investment Fund Foundation</td>
<td>250,000</td>
<td>-</td>
</tr>
<tr>
<td>Asian Democracy Network</td>
<td>-</td>
<td>10,000</td>
</tr>
<tr>
<td>Dutch Embassy South Africa</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>EWI Salary Support</td>
<td>-</td>
<td>106,836</td>
</tr>
<tr>
<td>Good Ventures</td>
<td>80,000</td>
<td>-</td>
</tr>
<tr>
<td>PepsiCo.</td>
<td>119,535</td>
<td>274,791</td>
</tr>
<tr>
<td>Microsoft</td>
<td>-</td>
<td>25,000</td>
</tr>
<tr>
<td>Total</td>
<td>$708,527</td>
<td>$676,007</td>
</tr>
</tbody>
</table>
NOTE 4 - LEASES

ORF America signed a lease for its current office space commencing in November 2021. The lease term is for sixty eight months and requires monthly payments at a base rate of $13,443 per month for the first twelve months with rent abated for the first 8 months. There are annual escalations until the lease expires in July 2027.

During the years ended December 31, 2022 and 2021, ORF America recognized rent expense associated with its leases as follows:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Lease Cost:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed Rent Expense</td>
<td>$145,836</td>
<td>$26,227</td>
</tr>
<tr>
<td>Total Lease Cost</td>
<td>$145,836</td>
<td>$26,227</td>
</tr>
</tbody>
</table>

During the years ended December 31, 2022 and 2021, ORF America had the following cash and non-cash activities associated with its leases:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Paid for Amounts Included in the Measurement Of Lease Liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Cash Flows from Operating Leases</td>
<td>$81,331</td>
<td>$</td>
</tr>
<tr>
<td>Non-Cash Operating Activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additions to Right of Use Assets Obtained from:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Operating Lease Liabilities</td>
<td>$</td>
<td>$818,963</td>
</tr>
</tbody>
</table>

Future minimum payments due under operating leases as of December 31, 2022 are as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2023</td>
<td>$166,047</td>
</tr>
<tr>
<td>2024</td>
<td>170,180</td>
</tr>
<tr>
<td>2025</td>
<td>174,434</td>
</tr>
<tr>
<td>2026</td>
<td>178,789</td>
</tr>
<tr>
<td>2027</td>
<td>91,252</td>
</tr>
</tbody>
</table>

Total Future Minimum Payments Due         780,702
Less Effects of Discounting               (41,923)
Lease Liabilities Recognized             $738,779

Because ORF America does not have access to the rate implicit in the lease, ORF America has used the Treasury bill risk-free rate of 1.623% as of the commencement date of the lease to determine the applicable lease discount rate.