

Audited Financial Statements



December 31, 2024

Quigley & Miron

Kidsave International, Inc.
Audited Financial Statements
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Independent Auditor's Report

Board of Trustees
Kidsave International, Inc.
Culver City, California

Opinion

We have audited the accompanying financial statements of Kidsave International, Inc. (Kidsave), a nonprofit organization, which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Kidsave as of December 31, 2024, and the changes in its net assets and cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis of Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Kidsave and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Kidsave's ability to continue as a going concern for one year after the date that the financial statements are 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, 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 Kidsave'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 Kidsave's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited Kidsave International, Inc.'s December 31, 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 9, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.



Los Angeles, California
August 1, 2025

Kidsave International, Inc.
Statement of Financial Position
December 31, 2024
(with summarized comparative totals for 2023)

	Without Donor Restrictions	With Donor Restrictions	2024 Total	2023 Total
Assets				
Current Assets				
Cash and cash equivalents	\$ 1,217,801	\$ 632,564	\$ 1,850,365	\$ 2,860,908
Investments—Note 4	1,035,895		1,035,895	768,221
Contributions and grants receivable, net—Note 5		218,576	218,576	149,293
Accounts receivable	201,770		201,770	
Prepaid expenses and other assets	15,395		15,395	60,201
Operating lease right-of-use asset —Note 6	69,829		69,829	71,512
Security deposits	10,683		10,683	5,958
Total Current Assets	2,551,373	851,140	3,402,513	3,916,093
Non-Current Assets				
Contributions and grants receivable, net—Note 5		120,412	120,412	91,936
Operating lease right-of-use asset —Note 6				65,132
Total Non-Current Assets		120,412	120,412	157,068
Total Assets	\$ 2,551,373	\$ 971,552	\$ 3,522,925	\$ 4,073,161
Liabilities and Net Assets				
Current Liabilities				
Accounts payable and accrued expenses	\$ 243,330	\$	\$ 243,330	\$ 59,620
Operating lease liability, current—Note 6	69,829		69,829	\$ 71,512
Total Current Liabilities	313,159		313,159	131,132
Long Term Liabilities				
Operating lease liability, term—Note 6				65,132
Total Long Term Liabilities				65,132
Total Liabilities	313,159		313,159	196,264
Net Assets				
Without donor restrictions	2,238,214		2,238,214	2,517,114
With donor restrictions—Note 7				
Purpose-restricted		632,564	632,564	1,128,020
Time-restricted		338,988	338,988	231,763
Total Net Assets	2,238,214	971,552	3,209,766	3,876,897
Total Liabilities and Net Assets	\$ 2,551,373	\$ 971,552	\$ 3,522,925	\$ 4,073,161

See notes to financial statements.

Kidsave International, Inc.
Statement of Activities
Year Ended December 31, 2024
(with summarized comparative totals for 2023)

	Without Donor Restrictions	With Donor Restrictions	2024 Total	2023 Total
Operating Activities				
Support and Revenues				
Contributions and grants	\$ 1,902,767	\$ 2,313,354	\$ 4,216,121	\$ 4,659,975
Government contracts	625,851		625,851	48,000
In-kind contributions—Note 10	137,619		137,619	182,212
Interest and dividend income	92,691		92,691	129,299
Miscellaneous income	4,304		4,304	250
Net assets released from restrictions	2,701,585	(2,701,585)		
Total Support, Revenue, and Releases from Restrictions	5,464,817	(388,231)	5,076,586	5,019,736
Expenses				
Program services				
International In-Country				
Permanency Programs	1,146,807		1,146,807	1,226,457
Permanency Initiatives	659,921		659,921	1,172,855
Weekend Miracles	1,433,639		1,433,639	920,836
Summer Miracles	470,914		470,914	627,385
Public Education and Outreach	1,035,625		1,035,625	318,605
Embrace Project	443,240		443,240	617,368
Total Program Expenses	5,190,146		5,190,146	4,883,506
Supporting services				
Management and general	325,090		325,090	376,963
Fundraising	257,138		257,138	411,985
Total Supporting Services	582,228		582,228	788,948
Total Expenses	5,772,374		5,772,374	5,672,454
Change in Net Assets from Operations	(307,557)	(388,231)	(695,788)	(652,718)
Nonoperating Activities				
Investment return, net	28,657		28,657	20,315
Total Nonoperating Activities	28,657		28,657	20,315
Change in Net Assets	(278,900)	(388,231)	(667,131)	(632,403)
Net Assets at Beginning of Year	2,517,114	1,359,783	3,876,897	4,509,300
Net Assets at End of Year	\$ 2,238,214	\$ 971,552	\$ 3,209,766	\$ 3,876,897

See notes to financial statements.

Kidsave International, Inc.
Statement of Functional Expenses
Year Ended December 31, 2024
(with summarized comparative totals for 2023)

	Program Services							Supporting Services				
	International In-Country Permanency Programs	Permanency Initiatives	Weekend Miracles	Summer Miracles	Public Education and Outreach	Embrace Project	Total Program Services	Management and General	Fundraising	Total Supporting Services	2024 Total	2023 Total
Expenses												
Salaries	\$ 128,458	\$ 354,088	\$ 632,734	\$ 150,149	\$ 251,377	\$ 147,051	\$ 1,663,857	\$ 160,713	\$ 32,979	\$ 193,692	\$ 1,857,549	\$ 1,608,644
Employee benefits	17,417	34,977	77,830	15,698	26,640	11,420	183,982	25,171	3,672	28,843	212,825	239,743
Payroll taxes	8,313	27,857	48,804	11,491	18,898	11,326	126,689	21,068	2,383	23,451	150,140	124,904
Advertising	590	1,039	92,918	25,601	312,624	17,837	450,609	128	113,388	113,516	564,125	389,214
Bank charges	6,833	12,532	21,084	5,281	16,112	5,189	67,031	1,760	2,978	4,738	71,769	59,116
Conference and meetings	5,389	5,291	20,645	176	105,021	989	137,511	7,993	26,567	34,560	172,071	179,062
Contractors	236,406	122,833	150,599	69,120	120,216	96,219	795,393	1,176	39,902	41,078	836,471	805,341
Dues and subscriptions	791	5,885	3,207	142	963	466	11,454	1,414	9,120	10,534	21,988	17,225
IT support, computers and equipment	15,435	31,005	91,270	19,772	75,807	20,785	254,074	3,729	3,551	7,280	261,354	332,359
Grants made	97,456			24,000			121,456				121,456	99,424
Humanitarian Aid— Note 1	331,553						331,553				331,553	472,650
Insurance	2,022	3,560	12,704	1,500	2,711	1,474	23,971	506	379	885	24,856	21,607
License, taxes and fees	2,016	14,493	18,842	7,519	1,781	934	45,585	320	1,438	1,758	47,343	11,633
Miracles construction	187,643						187,643				187,643	146,592
Miscellaneous	222						222	309		309	531	73,345
Photography and audio visual	3,412		25,543	2,827	15,256	25	47,063	9	3,785	3,794	50,857	58,266
Postage and shipping	542	955	1,912	693	731	357	5,190	122	238	360	5,550	7,329
Printing and publications	204	329	3,496		7,163	689	11,881	3,631	1,304	4,935	16,816	8,386
Professional development			22,526		40	2,871	25,437	7,191		7,191	32,628	17,855
Professional fees	13,658	16,471	34,263	7,058	12,370	6,838	90,658	81,172	1,673	82,845	173,503	168,447
Provision for credit losses												40,000
Rent	9,538	16,789	28,246	7,075	12,787	6,952	81,387	2,386	1,789	4,175	85,562	91,516
Research funding— Note 1						101,150	101,150				101,150	350,550
Supplies	35,543	3,209	82,565	1,557	47,248	3,135	173,257	4,795	10,668	15,463	188,720	104,228
Telephone	5,834	5,324	11,381	2,966	4,049	2,210	31,764	753	567	1,320	33,084	27,819
Training and recruitment	112	198	11,020			45	11,375	25	148	173	11,548	13,000
Translation				3,609			3,609				3,609	5,250
Travel	37,420	3,086	42,050	114,680	3,831	5,278	206,345	719	609	1,328	207,673	198,949
Totals	\$ 1,146,807	\$ 659,921	\$ 1,433,639	\$ 470,914	\$ 1,035,625	\$ 443,240	\$ 5,190,146	\$ 325,090	\$ 257,138	\$ 582,228	\$ 5,772,374	\$ 5,672,454

See notes to financial statements.

Kidsave International, Inc.
Statement of Cash Flows
Year Ended December 31, 2024
(with comparative totals for 2023)

	<u>2024</u>	<u>2023</u>
Cash Flows from Operating Activities		
Change in net assets	\$ (667,131)	\$ (632,403)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Write off of uncollectible pledges receivable		40,000
Non-cash lease expense	66,815	(136,644)
Changes in operating assets and liabilities:		
Contributions and grants receivable, net	(97,759)	(3,560)
Accounts receivable	(201,770)	
Prepaid expenses and other assets	44,806	36,213
Security deposits	(4,725)	(2,917)
Accounts payable and accrued expenses	183,710	(7,047)
Operating lease liability	(66,815)	136,644
	<u>(742,869)</u>	<u>(569,714)</u>
Net Cash Used in Operating Activities	(742,869)	(569,714)
Cash Flows from Investing Activities		
Purchases of investments	(267,674)	(768,221)
	<u>(267,674)</u>	<u>(768,221)</u>
Net Cash Used in Investing Activities	(267,674)	(768,221)
Decrease in Cash and Cash Equivalents	(1,010,543)	(1,337,935)
Cash and Cash Equivalents at Beginning of Year	<u>2,860,908</u>	<u>4,198,843</u>
Cash and Cash Equivalents at End of Year	<u>\$ 1,850,365</u>	<u>\$ 2,860,908</u>
Supplementary Disclosures		
Interest paid	\$ -	\$ -
Income taxes paid	\$ -	\$ -

See notes to financial statements.

Kidsave International, Inc.
Notes to Financial Statements
December 31, 2024
(with comparative totals for 2023)

Note 1—Organization

Organization—Kidsave International, Inc. (Kidsave), a nonprofit organization, believes all children, everywhere, deserve to grow up with the support of a loving, caring family. Kidsave’s innovative programs in the U.S. and around the world help children, primarily older youth, growing up in foster care and orphanages find lasting connections and forever families.

Kidsave’s mission is to create change so older, forgotten children in foster care and orphanages grow up in families or connected to caring adults. Kidsave’s programs move children out of government care and into families. Since 1997 Kidsave has been designing and operating model programs, and working to train governments, non-governmental organizations (NGOs), and child welfare professionals in program operations and to support partners for model expansion. Kidsave continues to champion for change in policies, programs, and increased government funding so that more children can find permanent families and thrive. Kidsave’s introduced its first program, Summer Miracles, in 1999.

Following is a summary of Kidsave’s work in 2024.

Weekend Miracles

Kidsave’s Weekend Miracles program helps older kids and teens in foster care (ages 9-18) find host families, permanent families, and enduring mentors. These children have often spent years in the child welfare system, with little realistic hope of adoption or stable adult connection. Weekend Miracles provides these youth with opportunities to meet people who might be willing to host, mentor, or adopt them.

At the core of the program are monthly interactive events designed to make it easy and fun for older children and teens in foster care to meet new people. This approach increases engagement, builds self-confidence and self-esteem, and gives youth agency in their own permanency journey.

Once interested families and kids meet and get to know each other at Kidsave’s monthly connection events, relationships develop naturally. Youth who are interested in adoption are matched with host families who either hope to adopt or work with Kidsave to find families in the community who are interested in adopting an older child. Youth who are not interested in adoption are matched with a caring host mentor who provides support and guidance. In some cases, host families go on to adopt the children they host, while others serve as catalysts—supporting the youth at events and introducing them to potential adoptive families within their communities. Regardless of the path, the overarching goal of Weekend Miracles is to create lasting, supportive adult connections for older youth who are at risk of aging out of the foster care system without a family.

By providing structured opportunities for youth to meet adults in a natural and relational setting, Kidsave removes the barriers that often prevent older youth from finding permanent homes or committed mentors.

Collaborative Partnerships

In 2024 in Los Angeles County, Kidsave was active in several public-private sector committees that address permanency for Los Angeles County foster youth, which include: (1) the Los Angeles County Adoption Consortium, a collaborative dedicated to educating stakeholders on new legislation, County policies, and issues affecting permanency; (2) the Permanency Collaboration Committee, a partnership between Kidsave and the Department of Children and Family Services (DCFS) of L.A. County Probation Department, working to improve permanency outcomes for probation youth; (3) CASA of Los Angeles, which mobilizes community volunteers to advocate for children who have experienced abuse and neglect; (4) FosterAll, an organization that recruits prospective foster parents from faith communities and helps families select the agency that is best suited for them by providing ongoing personal support throughout their foster/adopt experience; (5) Foster Together Network (FTN), a collective impact initiative of public and private stakeholders committed to increasing access to high

Kidsave International, Inc.
Notes to Financial Statements—Continued

Note 1—Organization—Continued

quality care for children placed in Los Angeles County’s foster care system; (6) FTN’s Equity Committee, a subcommittee formed to increase and enhance the provision of culturally responsive care for Black children, in an effort to facilitate well-being and improve their life outcomes; (7) FosterMore, a coalition of media and entertainment companies, foundations, non-profits, businesses and philanthropic organizations working to create greater understanding, empathy, and action to improve the future of youth in foster care; and (8) RaiseAChild, a national nonprofit organization that recruits and supports Resource Parents; they also advocate for adoptive homes for children in care. Kidsave also developed strong relationships with several local Foster Family Agencies: Pennylane, Allies for Every Child and Aviva, as well as with the following mentoring organizations: Youth Mentoring Nexus, Be A Mentor, and the California Mentoring Partnership. Kidsave was also a member of the LAX Coastal Chamber of Commerce and the Culver City Chamber of Commerce.

In 2024 in Texas, Kidsave was a member of the Region 6 Foster Care Stakeholder Collaborative, the Texas Alliance of Child and Family Services, the Greater Houston LGBT Chamber of Commerce, the Child Welfare section of the Texas State Bar, the Texas Foster Care Association, the Region 6 Coalition of Child Serving Sectors (CCSS) Community Advisory Committee, and the Region 6 CCSS Building Capacity Committee. Kidsave also had MOUs (memorandum of understanding, an agreement of two or more parties) with Hearts With Hope GRO/RTC, Open Arms, Open Hearts GRO/RTC, and the Texas Department of Family and Protective Services (DFPS). Additionally, Program Director Tabitha Charlton is serving a four-year term on the 15-member statewide inaugural Partners for Children and Families Committee(PCFC). In her role on the PCFC, she also is serving a two-year term on the Placement Subcommittee.

In Houston, Kidsave partnered with the following Child Placement Agencies in 2024: The Sanctuary, Arrow Child & Family Services, and Arms Wide. Kidsave also collaborated with numerous additional GRO/RTC organizations, NGOs, and Child Placement Agencies.

In 2024 Kidsave entered a partnership with the Virginia Department of Social Services (VDSS) to launch our Weekend Miracles program in Northern and Central Virginia. In 2024 in addition to VDSS, our partners for Weekend Miracles Virginia included Project Belong, Paths for Families, Jewish Family Services, and Cake4Kids.

Los Angeles County

Weekend Miracles Los Angeles (WMLA) is a public/private partnership, launched in October 2005, between Kidsave and the County of Los Angeles Department of Children and Family Services (DCFS). In 2024 WMLA hosted monthly connection events, serving 79 kids. Sixty-nine (69) of these youth actively participated in the Los Angeles program throughout the year. Thirty-three (33) of the 69 (48%) youth have achieved legal or relational permanency; 12 youth (36%) entered into an adoptive match; 3 youth (9%) now have legal guardians; 6 youth (18%) were reunified with biological family and 12 youth (36%) were connected with a mentor.

Since October 2005 when WMLA launched, 645 older foster youth have participated in this program. Seventy-one percent (71%) of the foster youth who have participated in WMLA have found adoptive families, devoted mentors, or legal guardians.

WMLA partnered with DCFS, FosterAll, and Expressions 58 to organize the second annual Camp Connect, an overnight weekend camp experience. Camp Connect focuses on helping older foster youth (ages 12-17), who were reluctant to trust and build healthy relationships with adults, to become more open to building safe adult connections. Unfortunately, Camp Connect was cancelled due to fires in the area in September 2024. Camp Connect resumed in June 2025.

Kidsave International, Inc.
Notes to Financial Statements—Continued

Note 1—Organization—Continued

Houston

Weekend Miracles Houston (WMH) hosted its first connection event in October 2020. Since then, 150 children and teens have been served by this program. In 2024, the Houston program served 61 foster youth, 42 of whom remained active throughout the year. Sixty percent (60%) of the active youth were connected to weekend hosts, adoptive matches, legal guardians, or Nonrelated Extended Family Members. In 2024, WMH held 15 in-person connection events. The children served by WMH in 2024 come from more than 19 counties across Texas, spanning eight DFPS regions.

Virginia

In 2024 Kidsave officially expanded its Weekend Miracles program into the Commonwealth of Virginia. Thanks to a partnership with the Virginia Department of Social Services, Kidsave now serves older youth in foster care in Central and Northern Virginia. We held our inaugural event in Spotsylvania, VA in December 2024 serving our first two Virginia foster youth and three families.

Summer and Winter Miracles

Kidsave’s Summer Miracles program brings older children (ages 9–15) from Colombia—who are unlikely to be adopted in their home country—to the United States for family hosting visits. These children typically reside in institutional or foster care and have no prospects of reunification with biological family members. The program provides these children with a rich cultural experience and a unique opportunity to connect with families interested in adoption.

During their visit, children stay with American host families who advocate for them by engaging their communities and personal networks to help identify prospective adoptive families. While the children enjoy recreational and bonding activities, the primary goal is to find each child a permanent, loving family.

In 2024 Kidsave facilitated both Summer and Winter Miracles programs, bringing a total of 38 children from Colombia to the U.S. Of the 38 children who traveled, 36 were found to be ready for adoption in the U.S. Of the 36 children who were open to adoption, 34 children (94%) have been adopted or have a family pursuing adoption. Since the program’s launch in 1999, two thousand one hundred and eighty-eight (2,188) older children have participated in this program.

In advance of the visits, Kidsave works closely with Colombia’s child welfare agency, Instituto Colombiano de Bienestar Familiar (ICBF), to identify children suitable for the program. Kidsave also recruits and trains American host families, facilitating virtual pre-visit introductions via Zoom.

While in the U.S., the children participate in many “firsts” - fun events and outings including amusement parks, swimming, bowling, sports games, and other experiences - that help build trust and connection with their host families and communities. After returning to Colombia, Kidsave continues to support adoptive families and collaborates with partner adoption agencies to ensure continuity and support.

Kidsave also began outreach efforts to recruit prospective host families for the 2025 season following the 2024 programs.

In 2024 Kidsave’s hosting communities were led by volunteer coordinators in the New York Tri-State Area (New York, New Jersey, and Connecticut), DC Metro Area (District of Columbia, Maryland, and Virginia), Minnesota (Twin Cities), Southern California, and other communities across the United States. All community volunteers, host families, and Kidsave staff championed each child to find them an adoptive family.

In addition to the children hosted in Summer Miracles communities, these children are placed with host families in cities throughout the continental U.S.

Kidsave International, Inc.
Notes to Financial Statements—Continued

Note 1—Organization—Continued

Over time, the Colombian government has adopted Kidsave’s family visit hosting model as its primary strategy for finding families for older, hard-to-place youth. Over the past 25 years, more than 65 placement agencies and nonprofit partners have participated in summer hosting initiatives modeled after Kidsave’s program.

International In-Country Permanency Programs

Global Framework

Kidsave International implements its family placement and mentoring programs through strong partnerships with local NGOs, building local capacity by providing training, program support, and funding. Rather than establishing operational offices in multiple countries, Kidsave enables in-country partners to implement its models. An exception is Ukraine, where the ongoing war and strategic importance of Kidsave’s work necessitated the establishment of a formal office.

Ukraine

In December 2022, Kidsave opened a representative office in Ukraine as a subdivision of Kidsave International. The office is located at the Kidsave Miracles Center in the Carpathian Mountains in western Ukraine. Program implementation is carried out by the Ukraine National Mentoring Association (ANDM), a Ukrainian NGO co-founded by Kidsave in 2018. Kidsave provides staff, training, financial resources, and oversight to support ANDM in delivering its core family placement and mentoring programs. Kidsave began working in Ukraine in 2016 as part of national child welfare reform efforts. Two core initiatives operate in Ukraine: Kidsave’s Pathway to Success Program – a corporate and individual mentoring and career-readiness program for older youth aging out of care; and Kidsave’s Family Visit Program – helping place older orphaned and abandoned children from institutions to family care.

Despite the ongoing war, Kidsave continued these programs in 2024. 279 teens participated in Pathway to Success, a corporate and individual mentoring program funded in large part since 2018 by the Boeing Corporation. In 2024, 145 of the youth in the Pathway to Success program participated in the “Taking Flight With Boeing” project, a year-long mentoring project with aimed to teach youth about aviation, build their self-confidence and relationship skills. 144 Boeing employees took part on the project.

Kidsave’s humanitarian initiative, Angels of Hope, delivered 603 tons of aid in 2024, reaching over 21,000 people. Since the war began, 30,000 individuals, half of them children, were evacuated to safety. Kidsave also supported the Children and Family Support Center in Mykolaiv, which provided weekly trauma-informed care to more than 500 internally displaced children and their mothers.

In 2022, a Kidsave Ukrainian partner organization received a donation of 4.5 acres of land in the Carpathian Mountains, where the Kidsave Miracles Center was constructed. The Center became partially operational in July 2024, hosting its first group of 43 war-affected children. Of those, 29 received trauma-informed care and 21 were placed in permanent families. During the winter holidays, 21 children from Mykolaiv were hosted at the Center for their safety, resulting in the successful placement of a sibling group of six.

The Center is designed as a multi-use facility with housing, training areas, a commercial kitchen, and recreational space. In 2024, nine trainings were held at the Miracles Center, and ten additional trainings on Kidsave models were held across other regions in Ukraine.

In July 2024, Kidsave’s CEO and ANDM representatives met with national and regional Ukrainian government officials to introduce Kidsave’s family placement and mentoring models. This resulted in the signing of a memorandum of cooperation with Ukraine’s State Children’s Services.

Kidsave International, Inc.
Notes to Financial Statements—Continued

Note 1—Organization—Continued

Later, in November 2024, with support from the U.S. Congressional Office of International Leadership (COIL), Kidsave hosted a Ukrainian delegation of child welfare leaders in Washington, D.C., and Los Angeles. As a direct outcome of this exchange, the Ukrainian delegation established a working group to draft national legislation on mentoring for vulnerable children. In December 2024, the Head of Children's Services in Mykolaiv led training for 90 professionals focused on promoting community-based child protection services, with an emphasis on family placement and mentoring for children without parental care.

Colombia

Kidsave's Family Visit program supports the Colombian government's efforts to prioritize family-based care. In 2018, Fundación Apego, a Colombian NGO supported by Kidsave, became independent from Kidsave and has continued to lead Kidsave's Family Visit/Super Amigos and Mama Mentora programs. Fundación Apego specializes in protecting children's rights and supporting vulnerable families to prevent child abandonment. Kidsave continues to collaborate by offering training and support, reinforcing a shared commitment to securing permanent families, mentorship, and life skills for older orphaned and abandoned youth.

Africa

In Sierra Leone, Kidsave partners with Integrated Development Initiatives (IDI) to transition children out of orphanages, with a focus on reunification with kin or placement with new families when kinship care is not possible. Kidsave's Sierra Leone Program moves children out of orphanages and, whenever possible, reunites them with extended family members (kin). IDI identifies families through family tracing, case mining and community events for older orphans who believe that they have living relatives who could raise them. Once families are found, IDI monitors placements and provides post-placement support. Most of the children served by the Sierra Leone Program lost their parents during the Ebola outbreak. IDI's services include family tracing, case mining, caregiver training, and monitoring at 1-, 3-, and 6-month intervals. Kidsave also provides children with school supplies and covers fees when needed.

In 2024, 210 children were placed with kin or new families across 48 communities in Sierra Leone and one community in Liberia. 700 caregivers, social workers, and stakeholders were trained in children's rights and care, and how to monitor and protect them. 98 individuals received training in case monitoring and reporting on instances of abuse or neglect. Gender-based violence prevention clubs were established in 18 schools. Kidsave provided funding to IDI to make revolving micro-loans to 84 families who took in children in 2024 to help support their small businesses and ensure their financial security after taking in a child. Loan repayment at the end of 2024 was 98% and proceeds from loan repayment were used to expand the program to help more families. Families also received school supplies, bedding, and 50 kg of rice. Since its launch in 2010, Kidsave's Sierra Leone program has helped 1,580 children find safe and supportive homes.

Support for Permanency Initiatives

As a voice for global change, Kidsave works to build awareness among the public and in U.S. Congress about the challenges that children in government care face, and ways to help them. Kidsave uses its direct service programs to demonstrate how its Family Visit Model works, and shares information about its programs with child welfare professionals with the goal of increasing permanency outcomes for older youth.

The EMBRACE Project

Kidsave launched the EMBRACE project in 2022 to address the overrepresentation of Black children in the foster care system in the United States. In 2020, Black children made up 22% of the foster care population, yet only 14% of children in the U.S. are Black. Moreover, Black children are underrepresented in rates of adoption: 21% of the children waiting to be adopted are Black, but only 16% are adopted annually. To better understand and begin to

Note 1—Organization—Continued

address this overrepresentation, Kidsave collaborated with the Gallup Center on Black Voices on a survey of 5,469 Americans, with an oversample of 1,563 Black Americans to ensure that Black perspectives are represented with depth and precision. Our report, *Americans' Views of U.S. Foster Care: Elevating Black Americans' Perspectives & Experiences*, published in 2023, identified the top perceived barriers that keep adults from mentoring, fostering, or adopting children from foster care.

With this data, Kidsave launched an evergreen communications campaign to raise awareness regarding the overrepresentation of Black children in the foster care system, the truth behind common misconceptions about mentoring, fostering, and adopting kids in the foster care system, and the availability of programs and resources that make these activities accessible. We also presented our report in meetings with legislators and their staff on Capitol Hill to enlist their support in influencing national policies that will help address barriers to mentoring, fostering, and adopting kids from foster care.

In 2024, we published supplementary reports to the original Kidsave-Gallup study. First, we analyzed interviews with 50 Black adults from Los Angeles and Houston regarding foster care and adoption. We examined how proximity to foster care and adoption and personal lived experiences can shape perceptions and openness to engaging with foster care and adoption. We also published secondary analysis reports from the 2023 Kidsave-Gallup study focused on survey responses from adults in California and Texas, the LGBT community, and the Hispanic/Latinx community.

While the EMBRACE project was inspired by a need to address the overrepresentation of Black kids in care, our findings support the need to address barriers to mentoring, fostering, and adopting children of all backgrounds. In 2024 we updated the scope of EMBRACE to include resources, advocacy, and training that will benefit all children.

Notable among our findings was that a perceived lack of training was a top barrier for adults to getting involved with providing foster care. Adults also expressed a willingness to care for children whose race or identity are different from their own, but stated concerns about their ability to connect across those differences. To address these findings, Kidsave developed a pilot Cultural Responsiveness training program to provide foster and adoptive families with the knowledge and resources needed to care for children of diverse backgrounds and navigate historical challenges within the child welfare system. Cultural Responsiveness training emphasizes the importance of understanding and nurturing cultural connections for these children and offers practical solutions to support these connections, helping families create an environment where children can thrive. This training launched in 2024 and is now mandatory for all new Kidsave families in our Weekend Miracles programs in Los Angeles County, Houston, and the Commonwealth of Virginia.

Public Education and Outreach

Kidsave's website, blog, and social media posts focus on sharing information about children in need of families and bolstering engagement and support for the children through hosting, volunteering, donating, and adopting. In 2024 Kidsave's advocacy images on social media platforms regularly reached 42,800 followers, in turn generating hundreds of inquiries and responses.

Kidsave also uses events to educate people about Kidsave's mission: the need for children worldwide to live in families, and specific children who need permanent families. Kidsave held two in-person galas in 2024 – one in Los Angeles and the other in Washington, DC. Both galas sought to bring awareness of the need for older, forgotten children to have family connections, and raised funds to support permanency programs. Other events Kidsave held in 2024 include a golf tournament in Los Angeles and hikes for foster youth in California, (Los Angeles and Los Gatos), Houston, TX, and Washington, DC.

Kidsave International, Inc.
Notes to Financial Statements—Continued

Note 1—Organization—Continued

Fundraising Initiatives

Donors to Kidsave’s Guardian program are given the opportunity to make multi-year pledges of a minimum of \$50,000 over a defined period, (1-5 years). One Guardian completed their pledge commitments in 2023 and continued making Guardian Program gifts in 2024 without formally renewing their pledge, as others have done in prior years.

The following table shows the Guardian pledge activity, net of allowance for doubtful accounts and unamortized discount, for the years ended December 31, 2024, and 2023.

	2024	2023
Guardian Pledges Receivable, Net at Beginning of the Year	\$ 169,664	\$ 241,169
Contributions, net	1,113,050	608,668
Cash received	(1,085,024)	(628,398)
Write-off of uncollectible guardian pledges receivable		(51,775)
Guardian Pledges Receivable, Net at End of the Year	\$ 197,690	\$ 169,664

Guardian pledges receivable balances of \$197,690 and \$169,664 at December 31, 2024 and 2023, respectively, are included in contributions and grants receivable balances, net at December 31, 2024 and 2023 (see Note 5).

Note 2—Summary of Significant Accounting Policies

Financial Statement Presentation—The financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Kidsave recognizes contributions, including unconditional promises to give, as revenue in the period received. Contributions and net assets are classified based on the existence or absence of donor-imposed restrictions. The net assets of Kidsave and changes therein are classified and reported as follows:

Net assets without donor restrictions—Net assets that are not subject to donor-imposed stipulations and that may be expended for any purpose in performing the primary objectives of Kidsave. These net assets may be used at the discretion of Kidsave’s management and the board of trustees.

Net assets with donor restrictions—Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; such restrictions that may or will be met either by actions of Kidsave and/or the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained in perpetuity. Generally, the donors of such assets permit Kidsave to use all or part of the income earned on related investments for general or specific purposes.

Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Measure of Operations—The statements of activities report all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of Kidsave’s programs that support children in government care and foster their transition to adoptive families and/or living independently in adult society, and interest and dividends earned on investments. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

Kidsave International, Inc.
Notes to Financial Statements—Continued

Note 2—Summary of Significant Accounting Policies—Continued

Income Taxes—No provision has been made for federal and state income taxes because Kidsave is exempt from such taxes under Section 501(c)(3) of the Internal Revenue Code and applicable state regulations. In addition, the Internal Revenue Service has determined that Kidsave is not a private foundation within the meaning of Section 509(a) of the Code.

Accounting standards require an organization to evaluate its tax positions and provide for a liability for any positions that would not be considered “more likely than not” to be upheld under a tax authority examination. Management has evaluated its tax positions and has concluded that a provision for a tax liability is not necessary at December 31, 2024. Generally, Kidsave’s information returns remain open for examination for a period of three (federal) and three or four (states) years from the date of filing.

Cash and Cash Equivalents—The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Investments—Investments are stated at fair value. Income and gain or losses (including investments bought, sold and held during the year) are reflected in the statement of activities and reported as unrestricted income unless use of the earnings is restricted by the donor. Investments received through gifts are recorded at their estimated fair value at the date of donation.

Contributions and Grants Receivable—Contributions and grants receivable consist primarily of amounts due from donors that were not received by Kidsave at year-end. At December 31, 2024 and 2023, grants receivable includes pledges totaling \$338,988 and \$241,229 respectively, from donors to provide support without purpose restrictions.

Concentration of Credit Risk—Financial instruments which potentially subject Kidsave to concentrations of credit risk consist of cash and cash equivalents, investments in securities, and receivables. Kidsave places its cash and cash equivalents with high credit quality financial institutions where the funds are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per institution. At times, such cash balances may exceed FDIC insurance limits during the normal course of business. Kidsave is subject to credit risk to the extent any financial institution with which it conducts business is unable to fulfill contractual obligations on its behalf. Cash held in investment accounts at investment custodians is insured by the Securities Investors Protection Corporation (SIPC) up to \$250,000 and the investments in securities are insured up to \$500,000, per institution. SIPC insurance protects the custody function of the investment custodian; it does not provide protection against fluctuations in market value. At times, such balances may exceed SIPC insurance limits during the normal course of business.

While Kidsave is subject to credit risk to the extent any financial institution with which it conducts business is unable to fulfill contractual obligations on its behalf, Kidsave’s management has assessed the credit risk associated with its cash deposits and investments at December 31, 2024 and 2023 and believes it is not exposed to any significant credit risk with its cash and cash equivalents and investments.

Contributions and grants receivable consist of balances from individuals, local foundations and corporations. Management has determined an appropriate interest rate based on historical risk-free interest adjusted for determined risk. The amortization of the discount is included in general support. During the year ended December 31, 2024, Kidsave recorded a no provision for credit losses. During the year ended December 31, 2023, Kidsave recorded a provision for credit losses of \$40,000.

Note 2—Summary of Significant Accounting Policies—Continued

Recently Adopted Accounting Principle—In June 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards (ASU), *Financial Instruments—Credit Losses (Topic 326)*, which requires organizations to measure all expected credit losses for financial instruments held at the reporting date based on historical experience, current conditions, and reasonable supportable forecasts. This standard replaces the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss (CECL) methodology. The new guidance affects organizations that hold financial assets and net investments in leases that are not accounted for at fair value with changes in fair value reported in net income, including loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash. Kidsave adopted ASU No. 2016-13 on a retrospective basis for the year ended December 31, 2023 with no resulting impact on the financial statement presentation.

Property and Equipment—Kidsave capitalizes all computer equipment of \$750 and above and all other property acquisitions of \$1,000 and above. Property is recorded at cost, if purchased, or fair market value at date of donation, if contributed. Depreciation and amortization are provided on the straight-line basis over the estimated useful life of the asset.

Contributions—Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor-restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Contracts with Customers—Accounting standards require an organization to recognize revenue arising from contracts with customers at the time the customer obtains control of a contracted goods or service. Other major provisions include capitalization of certain contract costs, consideration of time value of money in the transaction price, and allowing estimates of variable consideration to be recognized before contingencies are resolved in certain circumstances. The guidance also requires enhanced disclosures regarding the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

Revenue Recognition—Kidsave's revenue recognition policies are as follows:

Government contracts—Revenues from government contracts are reported as increases in net assets without donor restrictions as allowable expenditures under such agreements are incurred. The amounts expended in excess of reimbursements are reported as grants receivable.

Interest and dividend income—Interest and dividend income earned on investments is recognized when received and is reported as interest and dividends under revenue and support in the statement of activities.

In-Kind Contributions—In-kind contributions include donated materials and volunteer program coordinator, telephone, travel, legal, and other professional services used in program operation and other activities. Kidsave records the value of donated materials and services at their fair value at the date of donation. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by Kidsave.

Kidsave also makes extensive use of volunteers in the conduct of its programs which do not meet the aforementioned recognition criteria; these services include weekend and summer hosting, event planning,

Kidsave International, Inc.
Notes to Financial Statements—Continued

Note 2—Summary of Significant Accounting Policies—Continued

communications, and other essential program services, which amounted to over 26,000 hours for each of the years ended December 31, 2024 and 2023.

Functional Expenses—The costs of providing the various program and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated between the program services and supporting services benefitted. Rent is allocated on the basis of square footage. Salaries, employee benefits, and payroll taxes are allocated on the basis of estimates of time and effort. All other functional expenses are allocated to programs, management and general, or fundraising.

Advertising Costs—Advertising costs are expensed as incurred and amounted to \$564,125 and \$389,214, respectively, for the years ended December 31, 2024 and 2023.

Comparative Totals for 2023—The accompanying financial statements include certain prior-year summarized comparative financial information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with Kidsave's audited financial statements for the year ended December 31, 2023, from which the summarized information was derived.

Use of Estimates—The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Reclassifications—Certain amounts in 2023 have been reclassified to conform with the 2024 financial statement presentation.

Note 3—Availability and Liquidity

Kidsave's goal is generally to maintain financial assets to meet 90 days of operating expenses (approximately \$1,200,000). As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts and certificates of deposit.

The following represents the availability and liquidity of Kidsave's financial assets at December 31, 2024 and 2023 to cover operating expenses for the next fiscal year:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 1,217,801	\$ 1,732,888
Investments	1,035,895	768,221
Contributions and grants receivable, current portion	169,764	55,000
Accounts receivable	<u>201,770</u>	<u></u>
Current Availability of Financial Assets	<u>\$ 2,625,230</u>	<u>\$ 2,556,109</u>

Until April of 2025, Kidsave had a revolving line of credit in the amount of \$200,000, which was available to assist in meeting cash flow needs. The organization did not access this line in 2024 or in prior years. In May of 2025, the organization opted not to renew its line of credit due to higher interest rates and loan origination fees offered by the lender. Instead, the organization obtained a credit facility secured by its portfolio of treasury securities from a major brokerage firm with no loan origination fees, no covenants, no margin security, no compensating balances, and lower interest rate. The organization can borrow up to 30% of its equity balance.

Kidsave International, Inc.
Notes to Financial Statements—Continued

Note 4—Investment and Fair Value Measurement

In determining the fair value of investments, Kidsave utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. Kidsave determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market.

When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are characterized in one of the following levels:

Level 1—Unadjusted quoted prices in active markets for identical assets or liabilities accessible to Kidsave at the measurement date.

Level 2—Valuations based on observable inputs (other than Level 1), such as quoted prices for similar assets at the measurement date, quoted prices in markets that are not active, or other inputs that are observable, either directly or indirectly.

Level 3—Valuations based on inputs that are unobservable and significant to the overall fair value measurement, and involve management judgment.

Kidsave may utilize a practical expedient for the estimation of the fair value of investments for which the investment does not have a readily determinable fair value. The practical expedient used by Kidsave to value private investments is the Net Asset Value (NAV) per share, or its equivalent. In some instances, the NAV may not equal the fair value that would be calculated under fair value accounting standards. Kidsave had no assets or liabilities classified at NAV as a practical expedient during the years ended December 31, 2024 and 2023.

Fair values of assets measured on a recurring basis at December 31, 2024 consist of the following:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments				
Fixed Income Funds	\$ 785,895	\$ 785,895	\$	\$
Master Brands Joint Venture	250,000			250,000
	<u>\$ 1,035,895</u>	<u>\$ 785,895</u>	<u>\$</u>	<u>\$ 250,000</u>

During the year ended December 31, 2024, Kidsave invested \$250,000 in Master Brands Joint Venture (Venture), a non-traded real estate investment fund. Kidsave's ownership percentage is 1%. The Venture has purchased and is developing commercial property located in McAllen/Pharr, Texas. Completion of building construction is scheduled for December 2025 after which time the building will be leased or sold. Kidsave is not required to make any additional capital contributions to the investment. Following is a schedule of the Master Brands Joint Venture activity for the year ended December 31, 2024:

Balance at January 1, 2023	\$
Purchase of Master Brands Joint Venture	250,000
Balance at December 31, 2024	<u>\$ 250,000</u>

Kidsave International, Inc.
Notes to Financial Statements—Continued

Note 4—Investment and Fair Value Measurement—Continued

Fair values of assets measured on a recurring basis at December 31, 2023 consist of the following:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments				
U.S. Treasury Bills	\$ 763,228	\$ 763,228	\$	\$
Equity securities	4,993	4,993		
	<u>\$ 768,221</u>	<u>\$ 768,221</u>	<u>\$</u>	<u>\$</u>

A reconciliation of Kidsave's investment activity with regard to its Level 3 assets for the years ended December 31, 2024 is as follows:

Investment activity for the year ended December 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Realized losses on investment	\$	\$ (272)
Unrealized gains on investment	28,657	20,587
Investment Return, Net	28,657	20,315
Interest and dividend income	92,691	129,299
Total Return on Investment	\$ 121,348	\$ 149,614

Note 5—Contributions and Grants Receivable, Net

Net contributions and grants receivable consist of the following at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Guardian pledges	\$ 241,783	\$ 174,827
Ukraine pledges	80,793	40,000
Other receivables	25,000	34,466
Gross	347,576	249,293
Discount	(8,588)	(8,064)
Net	\$ 338,988	\$ 241,229

The current and non-current portions of contributions and grants receivable at December 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Current Assets		
Contributions and grants receivable, net	\$ 218,576	\$ 149,293
Non-Current Assets		
Contributions and grants receivable, net	120,412	91,936
Net	\$ 338,988	\$ 241,229

Kidsave International, Inc.
Notes to Financial Statements—Continued

Note 5—Contributions and Grants Receivable—Continued

Expected future payments of contributions and grants receivable at December 31, 2024 are as follows:

<u>Year Ending December 31,</u>	
2025	\$ 123,668
2026	94,908
2027	84,000
2028	45,000
Total	\$ 347,576

Note 6—Operating Lease Liability

On July 1, 2023, Kidsave signed a lease agreement for office space, under an operating lease agreement which expires in December 2025. The operating lease ROU asset and offsetting operating lease liability relating to this lease amounted to \$136,644 at December 31, 2024, using an annual discount rate of 4.42%. The total expense under this lease agreement for the year ended December 31, 2024 is \$71,512.

Future minimum annual rental commitments by year for this lease are as follows:

<u>Year Ending December 31,</u>	
2025	\$ 71,512
Total Gross Rental Payments	71,512
Less discounting at 4.42%	(1,683)
Total Operating Lease, Net	\$ 69,829

Subsequent to year-end, Kidsave has negotiated a new lease agreement at its current location in Culver City, California after its current sublease expires in December 2025. The new lease commences January 1, 2026 through April 30, 2029. The total lease consideration is (rent and operating expenses) \$252,599.

Kidsave International, Inc.
Notes to Financial Statements—Continued

Note 7—Net Assets with Donor Restrictions

Net assets with donor restrictions at December 31, 2024 and 2023 are restricted for the following purposes or periods:

	<u>2024</u>	<u>2023</u>
Subject to expenditure for purpose restrictions:		
Ukraine Programs	\$ 224,335	\$ 623,572
Fundraising	376,189	410,485
Summer Miracles	32,040	38,701
Weekend Miracles		55,262
	<hr/>	<hr/>
Total Subject to Purpose Restrictions	632,564	1,128,020
Subject to time restrictions:		
Guardian pledges receivable, net	197,691	169,664
Ukraine Programs	79,317	7,099
General pledges	36,980	55,000
Permanency	25,000	
	<hr/>	<hr/>
Total Subject to Time Restrictions	338,988	231,763
Total Net Assets With Donor Restrictions	<u>\$ 971,552</u>	<u>\$ 1,359,783</u>

Net assets released from donor restrictions for the years ended December 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Satisfaction of purpose restrictions:		
Weekend Miracles	\$ 1,011,370	\$ 446,285
Ukraine Programs	1,002,192	1,111,929
Summer Miracles	287,359	331,392
Fundraising	34,297	
Embrace	182,713	
Small events	1,995	
World Expansion	1,636	
Permanency initiatives		745,083
Africa Programs		2,494
	<hr/>	<hr/>
Total Satisfaction of Purpose Restrictions	2,521,562	2,637,183
Satisfaction of time restrictions:		
Guardian pledges receivable, net	105,023	680,173
General pledges	55,000	
Ukraine Programs	20,000	
	<hr/>	<hr/>
Total Satisfaction of Time Restrictions	180,023	680,173
Total Net Assets Released from Donor Restrictions	<u>\$ 2,701,585</u>	<u>\$ 3,317,356</u>

Kidsave International, Inc.
Notes to Financial Statements—Continued

Note 8—Contingencies

Grants require the fulfillment of certain conditions as set forth in the instrument of the grant. Failure to fulfill the conditions could result in the return of the funds to the grantor. Although that is a possibility, Kidsave deems the contingency remote, since it has made its best efforts to comply in all material respects with the provisions of each grant.

Note 9—Retirement Plan

Kidsave has a defined contribution 401(k) savings plan (Plan) which covers all eligible full-time employees who have completed one year of service and have attained age 21. Participants may elect to make voluntary contributions to the Plan. Kidsave makes a safe harbor matching contribution of the lesser of 100% of a participant's aggregate deferral contribution for the entire Plan year, or 4% of eligible compensation for the Plan year. Kidsave may also make additional discretionary contributions which vest over a period of six years. Contributions made in the years end December 31, 2024 and 2023 amounted to \$33,418 and \$27,700, respectively.

Note 10—In-Kind Contributions

For the years ended December 31, 2024 and 2023, in-kind contributions are reported in the statement of activities under support and revenues, and in the statement of functional expenses under the following expense captions:

	<u>2024</u>	<u>2023</u>
Travel	\$ 108,000	\$ 141,000
Telephone	21,838	18,144
Professional fees	3,281	8,668
Supplies	4,500	14,400
Totals	<u>\$ 137,619</u>	<u>\$ 182,212</u>

In-kind telephone contributions consist of cellular phones and service, which is valued at estimated fair value. Donated program coordinator services and other professional services are valued based on comparable market rates. During the years ended December 31, 2024 and 2023, professional services consisted of legal services, which are valued based on current rates of legal services provided by a law firm averaging an hourly rate of \$475. Travel consists of airfare, lodging expenses, bus rental, and bus driver services which are valued at actual cost incurred by the donor. Supplies consist of pairs of shoes donated which are valued using estimated wholesale prices of identical or similar products if purchased in the region. All in-kind contributions were received without donor restrictions and used for the Summer Miracles program and Weekend Miracles program.

Note 11—Joint Cost Allocation

Kidsave incurred joint costs in 2024 and 2023 for informational materials and special events that included fundraising appeals. The costs were allocated as follows:

	<u>2024</u>	<u>2023</u>
Public education	\$ 1,035,625	\$ 318,605
Fundraising	257,138	411,985
Totals	<u>\$ 1,292,763</u>	<u>\$ 730,590</u>

Note 12—Risks and Uncertainties

In late January 2025, subsequent to year-end, the new presidential administration introduced sweeping policy changes designed to specifically target a number of government departments and agencies. Under the new administration's directive, certain government contracts have been cancelled, and steps were taken to immediately reshape or eliminate certain departments and agencies of the government. The eliminations and restructurings resulted in reductions to the governmental infrastructure of several departments leading to the lay-off of a large number of government employees. Nonprofit partners of the government are also being impacted by these developments, and now face uncertainty regarding current and future government funding and contract agreements. At the time of this reporting, the cumulative financial impact of these policy shifts on Kidsave, if any, cannot be fully determined, therefore no related adjustment has been made to these financial statements.

Kidsave's Ukraine program faces ongoing risks due to geopolitical instability, shifting child welfare policies, and donor fatigue as global attention moves elsewhere. Infrastructure challenges, staff burnout, and funding volatility further impact operations. Kidsave is mitigating these risks through flexible program models, strong local partnerships, monthly in-country cash disbursements and reconciliation, diversified funding, and focused donor engagement.

Note 13—Subsequent Events

Management has evaluated all activities of Kidsave International, Inc. through August 1, 2025, which is the date the consolidated financial statements were available to be issued, and concluded that, other than the new office lease agreement discussed in Note 6, and the effects of recent government actions described in Note 12, no other material subsequent events have occurred that would require adjustment to the consolidated financial statements or disclosure in the notes to the consolidated financial statements.