

Audited Financial Statements



December 31, 2025

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, 2025, 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, 2025, 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 for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the 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, 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 1, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.



Los Angeles, California
July 31, 2026

Kidsave International, Inc.
Statement of Financial Position
December 31, 2025
(with summarized comparative totals for 2024)

	Without Donor Restrictions	With Donor Restrictions	2025 Total	2024 Total
Assets				
Current Assets				
Cash and cash equivalents	\$ 1,182,899	\$ 536,067	\$ 1,718,966	\$ 1,850,365
Investments—Note 4	913,032		913,032	1,035,895
Contributions and grants receivable, net—Note 5		283,157	283,157	218,576
Accounts receivable	223,366		223,366	201,770
Prepaid expenses and other assets	30,127		30,127	15,395
Operating lease right-of-use asset —Note 6				69,829
Security deposits	25,069		25,069	10,683
Total Current Assets	2,374,493	819,224	3,193,717	3,402,513
Non-Current Assets				
Contributions and grants receivable, net—Note 5		115,127	115,127	120,412
Total Non-Current Assets		115,127	115,127	120,412
Total Assets	\$ 2,374,493	\$ 934,351	\$ 3,308,844	\$ 3,522,925
Liabilities and Net Assets				
Liabilities				
Accounts payable and accrued expenses	\$ 193,924	\$	\$ 193,924	\$ 243,330
Operating lease liability—Note 6				69,829
Total Liabilities	193,924		193,924	313,159
Net Assets				
Without donor restrictions	2,180,569		2,180,569	2,238,214
With donor restrictions—Note 7				
Purpose-restricted		536,067	536,067	632,564
Time-restricted		398,284	398,284	338,988
Total Net Assets	2,180,569	934,351	3,114,920	3,209,766
Total Liabilities and Net Assets	\$ 2,374,493	\$ 934,351	\$ 3,308,844	\$ 3,522,925

See notes to financial statements.

Kidsave International, Inc.
Statement of Activities
Year Ended December 31, 2025
(with summarized comparative totals for 2024)

	Without Donor Restrictions	With Donor Restrictions	2025 Total	2024 Total
Operating Activities				
Support and Revenues				
Contributions and grants	\$ 2,929,127	\$ 1,358,893	\$ 4,288,020	\$ 4,216,121
Government contracts	682,767		682,767	625,851
In-kind contributions—Note 10	162,709		162,709	137,619
Interest and dividend income	75,910		75,910	92,691
Miscellaneous income	3,402		3,402	4,304
Net assets released from restrictions	1,396,094	(1,396,094)		
Total Support, Revenue, and Releases from Restrictions	5,250,009	(37,201)	5,212,808	5,076,586
Expenses				
Program services				
International In-Country				
Permanency Programs	755,837		755,837	1,146,276
Permanency Initiatives	1,147,214		1,147,214	659,921
Weekend Miracles	1,695,321		1,695,321	1,433,639
Summer Miracles	402,243		402,243	470,914
Public Education and Outreach	539,303		539,303	1,035,625
EMBRACE Project	171,875		171,875	443,240
Total Program Expenses	4,711,793		4,711,793	5,189,615
Supporting services				
Management and general	344,461		344,461	325,090
Fundraising	262,268		262,268	257,138
Total Supporting Services	606,729		606,729	582,228
Total Expenses	5,318,522		5,318,522	5,771,843
Change in Net Assets from Operations	(68,513)	(37,201)	(105,714)	(695,257)
Nonoperating Activities				
Investment return, net	11,458		11,458	28,657
Foreign exchange loss	(590)		(590)	(531)
Total Nonoperating Activities	10,868		10,868	28,126
Change in Net Assets	(57,645)	(37,201)	(94,846)	(667,131)
Net Assets at Beginning of Year	2,238,214	971,552	3,209,766	3,876,897
Net Assets at End of Year	\$ 2,180,569	\$ 934,351	\$ 3,114,920	\$ 3,209,766

See notes to financial statements.

Kidsave International, Inc.
Statement of Functional Expenses
Year Ended December 31, 2025
(with summarized comparative totals for 2024)

	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	2025 Total	2024 Total
Expenses												
Salaries	\$ 97,727	\$ 528,082	\$ 807,293	\$ 143,429	\$ 171,952	\$ 99,979	\$ 1,848,462	\$ 104,097	\$ 44,901	\$ 148,998	\$ 1,997,460	\$ 1,857,549
Employee benefits	2,145	44,287	92,315	8,464	12,359	10,284	169,854	27,570	3,211	30,781	200,635	189,243
Payroll taxes	6,761	43,165	65,311	11,265	13,584	8,304	148,390	7,970	3,656	11,626	160,016	150,140
Advertising	4,115	296,077	79,721	28,812	904	11,689	421,318	14	121,373	121,387	542,705	564,125
Bank charges	209	10,947	23,854		9,041		44,051	18,991	2,307	21,298	65,349	71,769
Conference and meetings	3,000	7,484	31,417	1,265	169,050		212,216	4,145	42,420	46,565	258,781	172,071
Contractors	263,765	96,470	130,703	44,843	47,307	31,749	614,837	22,041	11,898	33,939	648,776	836,471
Dues and subscriptions	2,010	1,263	7,699	60	202		11,234	1,102	1,542	2,644	13,878	21,988
Grants made	223,364			24,000			247,364				247,364	121,456
Insurance		3,711	15,936		991		20,638	6,437	264	6,701	27,339	24,856
IT support, computers and equipment	2,150	15,718	120,616	7,684	5,092	4,483	155,743	24,274	1,333	25,607	181,350	260,823
License, taxes and fees		14,728	33,678		3,904	250	52,560	25,376	2,539	27,915	80,475	47,343
Miscellaneous								1,285		1,285	1,285	531
Photography and audio visual	1,500		10,012	1,447	24,732		37,691		6,183	6,183	43,874	50,857
Postage and shipping		1,244	2,714	291	541	28	4,818	1,041	171	1,212	6,030	5,550
Printing and publications		9,282	740		2,106		12,128	590	528	1,118	13,246	16,816
Professional development	140	6,536	13,765		1,711		22,152	10,958	455	11,413	33,565	32,628
Professional fees	26,089	39,345	95,325	4,178	11,201	2,756	178,894	45,397	2,972	48,369	227,263	197,085
Rent		16,334	36,945		4,361		57,640	28,337	1,160	29,497	87,137	85,562
Supplies	104,747	4,079	71,994	2,264	53,273	9	236,366	2,001	13,565	15,566	251,932	809,066
Telephone	5,485	5,939	16,536	412	1,585		29,957	10,304	422	10,726	40,683	33,084
Training and recruitment		66	9,000			549	9,615				9,615	11,548
Translation				3,480			3,480				3,480	3,609
Travel	12,630	2,457	29,747	120,349	5,407	1,795	172,385	2,531	1,368	3,899	176,284	207,673
Totals	\$ 755,837	\$ 1,147,214	\$ 1,695,321	\$ 402,243	\$ 539,303	\$ 171,875	\$ 4,711,793	\$ 344,461	\$ 262,268	\$ 606,729	\$ 5,318,522	\$ 5,771,843

See notes to financial statements.

Kidsave International, Inc.
Statement of Cash Flows
Year Ended December 31, 2025
(with comparative totals for 2024)

	<u>2025</u>	<u>2024</u>
Cash Flows from Operating Activities		
Change in net assets	\$ (94,846)	\$ (667,131)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Non-cash lease expense	69,829	66,815
Investment gains	(11,458)	
Donated stock investments	(51,947)	
Changes in operating assets and liabilities:		
Contributions and grants receivable, net	(59,296)	(97,759)
Accounts receivable	(21,596)	(201,770)
Prepaid expenses and other assets	(14,732)	44,806
Security deposits	(14,386)	(4,725)
Accounts payable and accrued expenses	(49,406)	183,710
Operating lease liability	(69,829)	(66,815)
	<u>(317,667)</u>	<u>(742,869)</u>
Net Cash Used in Operating Activities		
Cash Flows from Investing Activities		
Purchases of investments		(267,674)
Proceeds from sales and maturity of investments	186,268	
	<u>186,268</u>	<u>(267,674)</u>
Net Cash Provided by (Used in) Investing Activities		
	<u>(131,399)</u>	<u>(1,010,543)</u>
Decrease in Cash and Cash Equivalents		
Cash and Cash Equivalents at Beginning of Year	<u>1,850,365</u>	<u>2,860,908</u>
	<u>1,850,365</u>	<u>2,860,908</u>
Cash and Cash Equivalents at End of Year	<u>\$ 1,718,966</u>	<u>\$ 1,850,365</u>
Supplementary Disclosures		
Interest paid	\$ -	\$ -
Income taxes paid	\$ -	\$ -

See notes to financial statements.

Kidsave International, Inc.
Notes to Financial Statements
December 31, 2025
(with comparative totals for 2024)

Note 1—Organization

Organization—Kidsave International, Inc. (Kidsave) is a nonprofit organization dedicated to helping older forgotten children grow up in families or connected to caring adults. Kidsave works in the United States and internationally to expand family-based care and improve permanency outcomes for children who are at risk of growing up without stable family relationships.

Kidsave’s vision is a world where individuals, governments, and communities ensure that all children grow up in safe, stable, and loving families. Guided by these principles, Kidsave develops and implements programs, partners with governments and nonprofit organizations, and advocates for policies and practices that increase family-based care and lasting adult connections for children worldwide.

Since 1997, Kidsave has designed and operated model programs and trained governments, nongovernmental organizations (NGOs), and child welfare professionals to implement and expand these approaches. Kidsave introduced its first program, Summer Miracles, in 1999, and continues to support program replication, policy change, and partnerships to increase the number of children growing up in families.

Following is a summary of Kidsave’s work in 2025.

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 mentor relationships. These youth have often spent years in the child welfare system, with limited prospects for adoption or long-term adult connections. Weekend Miracles provides structured opportunities for these youth to meet people who may 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 caring adults. These events help youth build confidence and self-esteem, increase engagement, and give youth agency in their own permanency journey.

As families and youth build relationships, youth interested in adoption are matched with host families who either hope to adopt themselves, or work with Kidsave to help identify families who are interested in adopting an older child within their communities. Youth not seeking adoption are matched with caring host mentors who provide guidance and support. Some host families ultimately adopt, while others serve as catalysts— supporting the youth at events and helping them connect to potential adoptive families.

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 family support. By creating opportunities for natural relationship building, Kidsave reduces barriers that often prevent older youth from finding permanent homes or committed mentors.

Collaborative Partnerships

Kidsave works in partnership with public agencies, nonprofit organizations, and community stakeholders to expand permanency opportunities for older youth in foster care.

In Los Angeles County, Kidsave collaborates with the Department of Children and Family Services (DCFS), foster family agencies, mentoring organizations, and community partners, and participates in numerous public-private initiatives that are focused on permanency and improved outcomes for foster youth. These organizations include: the Los Angeles County Adoption Consortium, CASA of Los Angeles, FosterAll, Foster Together Network (FTN), FTN’s Equity Committee, FosterMore, and RaiseAChild. Kidsave’s relationships with local Foster Family Agencies include: Pennylane, Allies for Every Child and Extraordinary Families. Kidsave’s relationships with mentoring organizations include: Youth Mentoring Nexus, and Be A Mentor.

Kidsave International, Inc.
Notes to Financial Statements—Continued

Note 1—Organization—Continued

Kidsave is also a member of the LAX Coastal Chamber of Commerce, and the Culver City Chamber of Commerce.

In Houston, Kidsave partners with child placement agencies, community organizations, and the Texas Department of Family and Protective Services (DFPS). Kidsave also participates in statewide stakeholder collaboratives and advisory groups focused on improving foster care and permanency outcomes.

In 2025, Kidsave was a member of the Region 6 Foster Care Stakeholder Collaborative, the Texas Alliance of Child and Family Services, the Greater Houston LGBTQ+ Chamber of Commerce, the Child Welfare section of the Texas State Bar, the Texas Foster Care Association, Partners for Children and Families Committee (PCFC) and its Placement Subcommittee, and the Region 6 Child Placement Agency Collaborative. Kidsave also had Memorandums of Understanding with Hearts With Hope GRO/RTC, Open Arms, Open Hearts GRO/RTC, and the Texas DFPS and its Placement Subcommittee.

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

In Virginia, Kidsave launched Weekend Miracles in October 2024 through a partnership with the Virginia Department of Social Services (VDSS). In 2025, Kidsave expanded partnerships with regional service providers, nonprofit organizations, and universities to support program implementation and youth recruitment, and now serves the Northern, Central and Piedmont regions of Virginia.

In 2025, in addition to VDSS, our partners included Paths for Families, Jewish Family Services, Cake4Kids, Shineforth, C2Adopt, Commonwealth Catholic Charities, DePaul Community Resources, Project Belong, Children's Home Society of Virginia, and Virginia Commonwealth University (VCU).

Los Angeles County

Weekend Miracles Los Angeles (WMLA) is a public/private partnership launched in October 2005 with the County of Los Angeles Department of Children and Family Services (DCFS). In 2025 WMLA hosted 12 monthly connection events, serving 99 foster youth and 103 families. Fifty youth actively participated during the year (attended a minimum of three events), and 72% of those active participants achieved legal or relational permanency.

In 2025, Kidsave expanded its referral pipeline by 80 youth, including 48 youth introduced through a large outreach event at Universal Studio in September. The event combined a recreational experience with a powerful youth- and family-led panel, where alumni shared their journeys and long-term outcomes. Youth also had the opportunity to interact with prospective and approved WMLA host families. Many of these youth, who were previously not open to adoption or forming connections with hosts or mentors, began participating in connection events later in the year, creating a strong pipeline for 2026. As of December 2025, 31 of those youth had participated in subsequent program events and 15 (48%) had already connected with an adult and were building relationships that may lead to hosting and/or adoption.

Kidsave also partnered with DCFS and FosterAll to host Camp Connect, a weekend camp experience designed to help youth build trust and openness to adult connections. Post-event surveys indicated that 94% of participants reported being open to an adult connection, compared to 43% prior to the camp.

Since the program's launch, 725 older foster youth have participated in WMLA, with 71% finding adoptive families, devoted mentors, or legal guardians.

Kidsave International, Inc.
Notes to Financial Statements—Continued

Note 1—Organization—Continued

Houston

Weekend Miracles Houston, launched in 2020, has served 149 youth since inception. In 2025, the program served 50 foster youth, with 38 actively participating. Forty-two percent of active youth formed connections with hosts, adoptive families, legal guardians, or Nonrelated Extended Family Members. The program held 12 in-person connection events during 2025 and served youth from more than ten counties across seven Texas DFPS regions.

Virginia

Our newest program, Weekend Miracles Virginia, launched in late 2024 in partnership with the Virginia Department of Social Services, served 33 youth in foster care living in the Central, Piedmont, and Northern regions of Virginia in 2025. Twenty-two youth actively participated, with 45% forming connections with hosts, guardians, or adoptive families.

The EMBRACE Project

Kidsave launched the EMBRACE Project in 2022 to address barriers to permanency and lasting adult connections for children in foster care, particularly those disproportionately represented or underserved. The initiative was initially developed in response to the overrepresentation of Black children in foster care and lower rates of adoption.

To better understand these barriers, Kidsave collaborated with the Gallup Center on Black Voices on a national survey and subsequent research, including interviews conducted in 2024 with adults in Los Angeles and Houston, and additional analyses related to LGBTQ+ and Latino communities. These findings identified key perceived barriers preventing adults from mentoring, fostering, or adopting children from foster care and informed outreach, recruitment, and training initiatives.

Based on these findings, Kidsave launched an ongoing communications and outreach initiative to raise awareness of the overrepresentation of Black children, dispel foster care misconceptions, and increase engagement among prospective families. Kidsave also shared findings with policymakers, including meetings with legislators and staff on Capitol Hill, to inform policy discussions related to foster care and permanency.

In 2025, the EMBRACE Project expanded its scope to address barriers affecting a broader group of marginalized youth in foster care, including Black, Latino/a, and LGBTQ+ youth. Programming efforts in 2025 included expanded outreach, recruitment, cultural responsiveness training, community engagement, and storytelling initiatives to increase awareness and participation.

Cultural Responsiveness Training, launched in late 2024 to help families support youth from diverse cultural, racial, and identity backgrounds, became mandatory for all new Kidsave families. One hundred forty (140) individuals completed the training in 2025.

In May 2025, Kidsave launched the Peer Mentor Program, pairing trained adults with lived experience—former foster youth, adoptive parents, and mentors—with families participating in Weekend Miracles. The program provides trauma-informed guidance, cultural and identity support, and assistance navigating the foster care system. During 2025 Kidsave matched seven trained Peer Mentors with 20 Weekend Miracles families (34 adults) and 20 youth in Los Angeles and Houston to strengthen family readiness and increase the likelihood of lasting connections and permanency.

The EMBRACE Project continues to support Kidsave’s broader mission by addressing barriers to mentoring, fostering, and adopting older youth and strengthening culturally responsive engagement across Kidsave programs.

Note 1—Organization—Continued

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 designed to help identify permanent families. These children typically reside in institutional or foster care, and have no prospects of reunification with biological family members.

Kidsave works in partnership with Colombia’s child welfare agency, Instituto Colombiano de Bienestar Familiar (ICBF), to identify children suitable for the program and prepare them for their visit. Kidsave recruits and trains American host families and facilitates virtual pre-visit introductions. During their visit, children stay with host families who advocate for them by engaging their communities to help identify prospective adoptive families. Following placements, Kidsave continues to support adoptive families and collaborates with partner adoption agencies to ensure continuity and support.

In 2025, 36 children participated in Summer and Winter Miracles. Of those children, 30 (83%) were adopted or are in the adoption process.

Two thousand, two hundred and twenty-four (2,224) children have participated since the program’s launch in 1999. Based on the success of Summer Miracles, the Colombian government has adopted Kidsave’s family visit hosting model (known as the International Hosting Strategy in Colombia) as its primary strategy for finding families for older, hard-to-place youth. Over the past 26 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 implements its family placement and mentoring programs through partnerships with local nonprofit organizations and government agencies. Kidsave builds local capacity by providing training, program support and funding, enabling in-country partners to implement its models.

Programs originally developed and operated by Kidsave in Russia and Colombia are now operated independently by local NGOs. These programs are supported by their respective governments and in-country funding. Kidsave does not participate in the governance, operations, or funding of these programs.

Rather than establishing operational offices in multiple countries, Kidsave’s international approach is to support local implementation. An exception is Ukraine, where the ongoing war and strategic importance of Kidsave’s work necessitated the establishment of a formal office.

Ukraine

Despite the ongoing war, Kidsave continued its programs in 2025. Three hundred fourteen (314) teens (including 118 young people in Kyiv and 196 in regions throughout Ukraine) participated in Pathway to Success, Kidsave’s corporate and individual mentoring program. In total, seventy-one (71) older orphaned children were placed into families through our Family Visit Program and direct advocacy efforts.

Kidsave’s humanitarian initiative, Angels of Hope, delivered 710 tons of aid in 2025, reaching over 13,400 children and families. Since the war began, 32,000 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.

Kidsave International, Inc.
Notes to Financial Statements—Continued

Note 1—Organization—Continued

Kidsave Miracles Center

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. Some buildings remain under construction, but the Center opened in 2024 and is currently in regular use.

The Center is designed as a multi-use facility with housing, training areas, a commercial kitchen, and recreational space. In 2025, one 4-day training session was held at the Miracles Center, and 8 additional Kidsave Model training sessions were held across other regions of Ukraine.

In 2025, the Kidsave Miracles Center provided trauma-informed respite and family recruitment services to 41 war-affected children through winter and summer programs. These children made 65 total visits to the Center, and 23 were placed in permanent families. Efforts continue to secure permanent family connections for the remaining children.

iStrong App for Youth

In March 2025 in partnership with Ukraine developers, Kidsave launched iStrong, a free mobile app available 24/7 that provides orphans and children, who are separated from their families, with access to mental health support. Designed for ages 8 and up, iStrong provides these children and teens with self-help techniques (breathing, relaxation, micro-meditation), resources, tips, and tools to help improve their emotional and physical well-being in times of crisis.

War, shelling, and constant uncertainty intensify the stress and exhaustion of young people, who often do not have a reliable adult by their side. iStrong helps them manage their stress and anxiety, and develop coping skills and self-awareness to better navigate ongoing and future challenges.

Africa

Kidsave partners with Integrated Development Initiatives (IDI) in Sierra Leone to transition children out of orphanages, with a focus on reunification with kin, or placement with new families when kinship care is not possible. IDI identifies families through family tracing, case mining, and community outreach for older orphans who may have living relatives able to care for them. Once a suitable family is identified, both the caregiver and the broader community are trained and prepared prior to placement, which is marked by a community ceremony. Following placement, IDI provides ongoing monitoring and post-placement support, including caregiver training and follow-up at 1-, 3-, and 6-month intervals. Kidsave also supports school fees and supplies, as needed. Most children served by the Sierra Leone program lost their parents during the Ebola outbreak, although the program is increasingly seeing a need to help children who are living on the streets.

In 2025, two hundred sixteen (216) children were placed with kin or new families in Sierra Leone. Six hundred eighty (680) caregivers, social workers, and stakeholders were trained in children's rights and care, and how to monitor and protect them. Gender-based violence prevention clubs were established in 26 schools.

Kidsave also funded a revolving micro-loan program supporting 114 families who took in children, helping strengthen household income and financial stability. Loan repayment at the end of 2025 was 92% and repaid funds were redeployed to support additional families. Families also received essential items, including school supplies, bedding, and 50 kg of rice. Since its launch in 2010, Kidsave's Sierra Leone program has helped 1,796 children find safe and supportive homes.

Kidsave International, Inc.
Notes to Financial Statements—Continued

Note 1—Organization—Continued

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.

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 2025 Kidsave’s advocacy images on social media platforms regularly reached 46,200 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 three in-person galas in 2025 – in Los Angeles, CA, in Washington, DC, and in Houston, TX. These three 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 2025 include a golf tournament in Los Angeles and hikes for foster youth in California (Los Angeles and Los Gatos), Houston, TX, and Washington, DC.

Strategic Replication Planning

In 2025, Kidsave launched a strategic initiative to scale its Family Visit Model into new geographic markets through local implementing partners—marking a significant step toward broader systems change. To guide this effort, the Board of Trustees established a Strategic Planning Task Force.

Central to this work was a disciplined effort to capture and codify what it takes to implement the Family Visit Model successfully. Drawing on ten domestic and international programs, Kidsave developed a comprehensive matrix outlining program structure, partnerships, policies, barriers, and key lessons learned. This process was informed by a full review of existing documentation and in-depth interviews with staff and external partners, helping to reveal critical insights and close knowledge gaps.

Building on this foundation, Kidsave defined initial three-year replication priorities, including documentation of the model, building training and technical assistance capacity, and identifying high-potential expansion markets. By year-end, Kidsave had developed a replication framework for Board review — positioning Kidsave to evaluate opportunities with greater rigor and to expand in a way that is both scalable and sustainable.

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.

Note 2—Summary of Significant Accounting Policies—Continued

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.

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 Section 23701(d) of the California Revenue and Taxation Code, respectively, and applicable state regulations. Accordingly, no provision for income taxes is included in the financial statements.

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, 2025. Generally, Kidsave’s information returns remain open for examination for a period of three (federal) and four (state of California) years from the date of filing, respectively.

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

Foreign Currency—Kidsave maintains a bank account denominated in Ukrainian hryvnia (UAH) in connection with its program activities in Ukraine. The functional currency of Kidsave is the U.S. dollar (USD). Accordingly, the UAH-denominated bank account is remeasured into U.S. dollars in accordance with Accounting Standards Codification (ASC) 830, Foreign Currency Matters. Monetary assets denominated in foreign currencies are remeasured into U.S. dollars at the exchange rate in effect at the balance sheet date. Kidsave uses the official exchange rate published by the National Bank of Ukraine (NBU) as of each period-end date for this purpose. Foreign currency transaction gains and losses resulting from changes in exchange rates between the date of a transaction and the remeasurement date are recognized in the statements of activities in the period in which they arise, and are included in the change in net assets without donor restrictions. Foreign exchange gains (losses) include net foreign currency losses of \$590 and \$531 for the years ended December 31, 2025 and 2024, respectively.

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.

Kidsave International, Inc.
Notes to Financial Statements—Continued

Note 2—Summary of Significant Accounting Policies—Continued

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, 2025 and 2024 and believes it is not exposed to any significant credit risk with its cash and cash equivalents and investments.

Contributions and grants receivable and accounts receivable consist of balances from individuals, local foundations and corporations. Receivable are recorded at fair market value at the date of the financial statement. 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 years ended December 31, 2025 and 2024, Kidsave recorded no provision for credit losses.

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.

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

Contributions and grants—Contributions and grants 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 and grants 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. Multi-year written pledges are recorded as contribution revenue in the year the donor makes the commitment, with the unpaid balance recognized as a receivable (net of any required discount and allowance), even though collections occur over future years. Verbal pledges and in-year Guardian contributions are recorded when the cash is received.

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.

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.

Kidsave International, Inc.
Notes to Financial Statements—Continued

Note 2—Summary of Significant Accounting Policies—Continued

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, communications, and other essential program services, which amounted to over 26,000 hours for each of the years ended December 31, 2025 and 2024.

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

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.

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 \$542,705 and \$564,125, respectively, for the years ended December 31, 2025 and 2024.

Comparative Totals for 2024—The accompanying financial statements include certain prior-year summarized comparative financial information in total. 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, 2024, 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 2024 have been reclassified to conform with the 2025 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.

Kidsave International, Inc.
Notes to Financial Statements—Continued

Note 3—Availability and Liquidity—Continued

The following represents the availability and liquidity of Kidsave's financial assets at December 31, 2025 and 2024 to cover operating expenses for the next fiscal year:

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents, net of restrictions	\$ 1,182,899	\$ 1,217,801
Investments	913,032	1,035,895
Contributions and grants receivable, current portion, net of restrictions	137,698	36,981
Accounts receivable	223,366	201,770
Current Availability of Financial Assets	<u>\$ 2,456,995</u>	<u>\$ 2,492,447</u>

Until April 2025, Kidsave had a revolving line of credit in the amount of \$200,000, which was available to assist in meeting cash flow needs. Kidsave did not access this line in 2024 or in prior years. In May 2025, Kidsave opted not to renew its line of credit due to higher interest rates and loan origination fees offered by the lender. Instead, Kidsave 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. Kidsave can borrow up to 30% of its equity balance.

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, 2025 and 2024.

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, 2025 consist of the following:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments				
Fixed Income Funds	\$ 668,008	\$ 668,008	\$	\$
Master Brands Joint Venture	245,024			245,024
Totals	<u>\$ 913,032</u>	<u>\$ 668,008</u>	<u>\$</u>	<u>\$ 245,024</u>

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				
U.S. Treasury Bills	\$ 785,895	\$ 785,895	\$	\$
Master Brands Joint Venture	250,000			250,000
Totals	<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 purchased and developed commercial property located in McAllen/Pharr, Texas. Building construction was completed and tenant began occupancy in December 2025. Kidsave is not required to make any additional capital contributions to the investment. Kidsave values its investment in the Venture using information provided by the investee, including capital account information reported on Schedule K-1 and other financial information obtained from the general partner. Because the investment is not actively traded and observable market data is not available, the valuation incorporates significant unobservable inputs, including the underlying net asset value of the investee, estimated fair values of underlying assets, and assumptions made by management of the investee. Accordingly, the investment is classified within Level 3 of the fair value hierarchy.

A reconciliation of Kidsave's investment activity with regard to its Level 3 assets for the years ended December 31, 2025 and 2024 is as follows:

Balance at January 1, 2024	\$
Purchase of Master Brands Joint Venture	250,000
Balance at December 31, 2024	250,000
Net loss during the year ended December 31, 2025	(4,976)
Balance at December 31, 2025	<u>\$ 245,024</u>

Subsequent to year-end, the Venture investment was sold, with escrow closing on May 6, 2026. Kidsave received \$382,500 in total cash distributions, representing a 1.53x equity multiple and a 25.16% internal rate of return (IRR).

Kidsave International, Inc.
Notes to Financial Statements—Continued

Note 4—Investment and Fair Value Measurement—Continued

Investment activity for the years ended December 31, 2025 and 2024 is as follows:

	<u>2025</u>	<u>2024</u>
Unrealized gains on investment	\$ 11,458	\$ 28,657
Investment Return, Net	11,458	28,657
Interest and dividend income	75,910	92,691
Total Return on Investment	\$ 87,368	\$ 121,348

Note 5—Contributions and Grants Receivable, Net

Net contributions and grants receivable consist of the following at December 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Guardian pledges	\$ 264,840	\$ 204,803
Ukraine pledges	5,619	80,793
General pledges	137,698	36,980
Permanency pledges	25,000	25,000
Gross	408,157	347,576
Discount	(9,873)	(8,588)
Net	\$ 398,284	\$ 338,988

Donors to Kidsave’s Guardian program are given the opportunity to make pledges of a minimum of \$50,000 over a defined period (1-5 years). Eight Guardians made pledge payments per their commitments. One Guardian completed their written pledge commitment in 2024 and continued making Guardian gifts in 2025 without formally renewing their pledge, as others have done in prior years. Six Guardians continued their verbal pledges in 2025. Three Guardians renewed their written pledges in 2025 for another five years.

The following table shows the Guardian pledge activity, net of allowance for doubtful accounts and unamortized discount, for the years ended December 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Guardian Pledges Receivable, Net at Beginning of the Year	\$ 197,690	\$ 169,664
Contributions, net	1,158,307	1,113,050
Cash received	(1,101,030)	(1,085,024)
Guardian Pledges Receivable, Net at End of the Year	\$ 254,967	\$ 197,690

Guardian pledges receivable balances of \$254,967 and \$197,690 at December 31, 2025 and 2024, respectively, are included in contributions and grants receivable balances, net at December 31, 2025 and 2024.

Kidsave International, Inc.
Notes to Financial Statements—Continued

Note 5—Contributions and Grants Receivable, Net—Continued

The current and non-current portions of contributions and grants receivable at December 31, 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Current Assets		
Contributions and grants receivable	\$ 283,157	\$ 218,576
Non-Current Assets		
Contributions and grants receivable, net	<u>115,127</u>	<u>120,412</u>
Net	<u>\$ 398,284</u>	<u>\$ 338,988</u>

Expected future payments of contributions and grants receivable at December 31, 2025 are as follows:

<u>Year Ending December 31,</u>	
2026	\$ 283,157
2027	65,000
2028	30,000
2029	<u>30,000</u>
Total	<u>\$ 408,157</u>

Note 6—Operating Lease Liability

On July 1, 2023, Kidsave signed a lease agreement for office space, under an operating lease agreement which expired in December 2025. The operating lease ROU asset and offsetting operating lease liability relating to this lease amounted to \$69,829 at December 31, 2024, using an annual discount rate of 4.42%. Total lease expense under this lease agreement was \$71,512 for each of the years ended December 31, 2025 and 2024. Subsequent to year end, in January 2026, Kidsave commenced a new lease for office space in Culver City, California, for a 40-month term beginning January 1, 2026 and expiring April 30, 2029. Total undiscounted base rent over the lease term is approximately \$277,106, before the impact of four months of contractual rent abatement.

Kidsave International, Inc.
Notes to Financial Statements—Continued

Note 7—Net Assets with Donor Restrictions

Net assets with donor restrictions at December 31, 2025 and 2024 are restricted for the following purposes or periods:

	<u>2025</u>	<u>2024</u>
Subject to expenditure for purpose restrictions:		
Fundraising	\$ 292,587	\$ 376,189
Ukraine programs	207,954	224,335
Summer Miracles	33,175	32,040
Weekend Miracles	2,351	
Total Subject to Purpose Restrictions	536,067	632,564
Subject to time restrictions:		
Guardian pledges receivable, net	254,967	197,690
General pledges	137,698	36,981
Ukraine programs	5,619	79,317
Permanency initiatives		25,000
Total Subject to Time Restrictions	398,284	338,988
Total Net Assets With Donor Restrictions	<u>\$ 934,351</u>	<u>\$ 971,552</u>

Net assets released from donor restrictions for the years ended December 31, 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Satisfaction of purpose restrictions:		
Weekend Miracles	\$ 172,937	\$ 385,519
Ukraine programs	641,693	1,002,192
Summer Miracles	150,470	287,359
Fundraising	83,600	34,297
EMBRACE Project	73,657	182,713
World Expansion	1,800	1,636
Small events		1,995
Total Satisfaction of Purpose Restrictions	1,124,157	1,895,711
Satisfaction of time restrictions:		
Guardian pledges receivable, net	139,964	105,023
Ukraine programs	80,793	20,000
General pledges	26,180	55,000
Permanency initiatives	25,000	
Total Satisfaction of Time Restrictions	271,937	180,023
Total Net Assets Released from Donor Restrictions	<u>\$ 1,396,094</u>	<u>\$ 2,075,734</u>

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.

Kidsave International, Inc.
Notes to Financial Statements—Continued

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 ended December 31, 2025 and 2024 amounted to \$41,344 and \$33,418, respectively.

Note 10—In-Kind Contributions

For the years ended December 31, 2025 and 2024, 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>2025</u>	<u>2024</u>
Travel	\$ 114,000	\$ 108,000
Telephone	25,237	21,838
Supplies	1,245	4,500
Professional fees	<u>22,227</u>	<u>3,281</u>
Totals	<u>\$ 162,709</u>	<u>\$ 137,619</u>

In-kind telephone contributions consist of cloud-based VoIP telephone and messaging platform, which is valued at estimated fair value. Donated program coordinator services and other professional services are valued based on comparable market rates for similar services. During the years ended December 31, 2025 and 2024, professional services consisted of legal services valued at an hourly rate of \$475, based on current rates of legal services provided by the law firm for such legal services. The firm provided 47 hours in 2025 and 7 hours in 2024. 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. 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 2025 and 2024 for special events that included fundraising appeals. The costs were allocated as follows:

	<u>2025</u>	<u>2024</u>
Public education and outreach	\$ 539,298	\$ 415,346
Fundraising	<u>134,824</u>	<u>103,836</u>
Totals	<u>\$ 674,122</u>	<u>\$ 519,182</u>

Note 12—Risks and Uncertainties

In late January 2025, 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. In addition, the current administration's policies regarding visas and immigration had a negative impact on Kidsave's Summer Miracles program in 2025. At the time of this reporting, the cumulative financial impact of these policy shifts to 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. Management cannot currently estimate the range of financial impact, if any, from these policy changes.

Note 13—Subsequent Events

Management has evaluated all activities of Kidsave International, Inc. through July 31, 2026, which is the date the financial statements were available to be issued, and concluded that, other than the sale of the Venture investment discussed in Note 4 and the new office lease agreement discussed in Note 6, no material subsequent events have occurred that would require adjustment to the financial statements or disclosure in the notes to the financial statements.