

FINANCIAL STATEMENTS



educate girls

**FOR THE YEARS ENDED
MARCH 31, 2025 AND 2024**

EDUCATE GIRLS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Educate Girls
Austin, Texas

Opinion

We have audited the accompanying financial statements of Educate Girls (the Organization), which comprise the statements of financial position as of March 31, 2025 and 2024, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of March 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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MEMBER OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS' PRIVATE COMPANIES PRACTICE SECTION

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; therefore, it is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 the Organization'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 the Organization'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.



September 24, 2025

EDUCATE GIRLS
STATEMENTS OF FINANCIAL POSITION
AS OF MARCH 31, 2025 AND 2024

ASSETS

	<u>2025</u>	<u>2024</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 14,465,340	\$ 7,914,191
Investments	26,447,045	35,853,402
Contributions and grants receivable	710,000	-
Prepaid expenses	<u>-</u>	<u>6,844</u>
Total current assets	<u>41,622,385</u>	<u>43,774,437</u>
NONCURRENT ASSETS		
Contributions and grants receivable	<u>250,000</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 41,872,385</u>	<u>\$ 43,774,437</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable and accrued liabilities	\$ 20,900	\$ 992
Accrued salaries and related benefits	100,231	87,426
Grants payable	11,500,000	12,557,945
Refundable advance	<u>800,000</u>	<u>250,000</u>
Total current liabilities	12,421,131	12,896,363

NONCURRENT LIABILITIES

Grants payable, net	<u>19,297,690</u>	<u>24,348,601</u>
Total liabilities	<u>31,718,821</u>	<u>37,244,964</u>

NET ASSETS

Without donor restrictions	1,435,108	(744,715)
With donor restrictions	<u>8,718,456</u>	<u>7,274,188</u>
Total net assets	<u>10,153,564</u>	<u>6,529,473</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 41,872,385</u>	<u>\$ 43,774,437</u>

EDUCATE GIRLS

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2025

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT			
Contributions and grants	\$ 5,587,847	\$ 2,309,990	\$ 7,897,837
Net assets released from donor restrictions	<u>865,722</u>	<u>(865,722)</u>	<u>-</u>
Total support	<u>6,453,569</u>	<u>1,444,268</u>	<u>7,897,837</u>
EXPENSES			
Program Services	<u>5,933,807</u>	<u>-</u>	<u>5,933,807</u>
Supporting Services:			
Management and General	147,658	-	147,658
Fundraising	<u>198,197</u>	<u>-</u>	<u>198,197</u>
Total supporting services	<u>345,855</u>	<u>-</u>	<u>345,855</u>
Total expenses	<u>6,279,662</u>	<u>-</u>	<u>6,279,662</u>
Changes in net assets before non-operating item	173,907	1,444,268	1,618,175
NON-OPERATING ITEM			
Net investment return	<u>2,005,916</u>	<u>-</u>	<u>2,005,916</u>
Changes in net assets	2,179,823	1,444,268	3,624,091
Net assets at beginning of year	<u>(744,715)</u>	<u>7,274,188</u>	<u>6,529,473</u>
NET ASSETS AT END OF YEAR	<u>\$ 1,435,108</u>	<u>\$ 8,718,456</u>	<u>\$ 10,153,564</u>

EDUCATE GIRLS

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT			
Contributions and grants	\$ 8,644,001	\$ 901,425	\$ 9,545,426
Net assets released from donor restrictions	<u>2,907,894</u>	<u>(2,907,894)</u>	<u>-</u>
Total support	<u>11,551,895</u>	<u>(2,006,469)</u>	<u>9,545,426</u>
EXPENSES			
Program Services	<u>29,346,344</u>	<u>-</u>	<u>29,346,344</u>
Supporting Services:			
Management and General	262,782	-	262,782
Fundraising	<u>420,403</u>	<u>-</u>	<u>420,403</u>
Total supporting services	<u>683,185</u>	<u>-</u>	<u>683,185</u>
Total expenses	<u>30,029,529</u>	<u>-</u>	<u>30,029,529</u>
Changes in net assets before non-operating item	(18,477,634)	(2,006,469)	(20,484,103)
NON-OPERATING ITEM			
Net investment return	<u>1,899,392</u>	<u>-</u>	<u>1,899,392</u>
Changes in net assets	(16,578,242)	(2,006,469)	(18,584,711)
Net assets at beginning of year	<u>15,833,527</u>	<u>9,280,657</u>	<u>25,114,184</u>
NET ASSETS AT END OF YEAR	<u>\$ (744,715)</u>	<u>\$ 7,274,188</u>	<u>\$ 6,529,473</u>

EDUCATE GIRLS

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MARCH 31, 2025

	Program Services	Supporting Services		Total Supporting Services	Total Expenses
		Management and General	Fundraising		
Grants	\$ 4,497,410	\$ -	\$ -	\$ -	\$ 4,497,410
Contractual services	476,226	24,625	42,289	66,914	543,140
Compensation	721,216	37,293	64,043	101,336	822,552
Travel	84,374	17,285	13,909	31,194	115,568
Program management software	128,771	-	-	-	128,771
Payroll taxes	25,810	11,732	21,117	32,849	58,659
Advertising	-	-	56,723	56,723	56,723
Accounting fees	-	21,853	-	21,853	21,853
Business expenses	-	13,688	-	13,688	13,688
Legal fees	-	205	-	205	205
Insurance	-	18,695	-	18,695	18,695
Bank charges	-	847	-	847	847
Miscellaneous	-	1,373	116	1,489	1,489
Telephone	-	62	-	62	62
TOTAL	\$ 5,933,807	\$ 147,658	\$ 198,197	\$ 345,855	\$ 6,279,662

EDUCATE GIRLS

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MARCH 31, 2024

	Program Services	Supporting Services		Total Supporting Services	Total Expenses
		Management and General	Fundraising		
Grants	\$ 27,888,650	\$ -	\$ -	\$ -	\$ 27,888,650
Contractual services	999,524	51,684	88,757	140,441	1,139,965
Compensation	314,515	142,961	257,331	400,292	714,807
Travel	68,432	14,019	11,281	25,300	93,732
Program management software	53,877	-	-	-	53,877
Payroll taxes	21,346	9,703	17,465	27,168	48,514
Advertising	-	-	45,379	45,379	45,379
Accounting fees	-	19,200	-	19,200	19,200
Business expenses	-	9,730	-	9,730	9,730
Legal fees	-	8,129	-	8,129	8,129
Insurance	-	4,825	-	4,825	4,825
Bank charges	-	1,180	-	1,180	1,180
Miscellaneous	-	790	190	980	980
Telephone	-	561	-	561	561
TOTAL	\$ 29,346,344	\$ 262,782	\$ 420,403	\$ 683,185	\$ 30,029,529

EDUCATE GIRLS
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ 3,624,091	\$ (18,584,711)
Adjustments to reconcile changes in net assets to net cash used by operating activities:		
Unrealized gain	(787,829)	(1,019,788)
Realized (gain) loss	(26,000)	10,859
Change in discount on noncurrent grants payable	949,089	(4,115,548)
(Increase) decrease in:		
Contributions and grants receivable	(960,000)	150,000
Prepaid expenses	6,844	(6,844)
Increase (decrease) in:		
Accounts payable and accrued liabilities	19,908	(121,837)
Accrued salaries and related benefits	12,805	78,365
Grants payable	(7,057,945)	20,038,884
Refundable advance	<u>550,000</u>	<u>250,000</u>
Net cash used by operating activities	<u>(3,669,037)</u>	<u>(3,320,620)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(26,429,814)	(14,912,650)
Proceeds from the sale of investments	<u>36,650,000</u>	<u>9,150,564</u>
Net cash provided (used) by investing activities	<u>10,220,186</u>	<u>(5,762,086)</u>
Net increase (decrease) in cash and cash equivalents	6,551,149	(9,082,706)
Cash and cash equivalents at beginning of year	<u>7,914,191</u>	<u>16,996,897</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 14,465,340</u>	<u>\$ 7,914,191</u>

EDUCATE GIRLS

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2025 AND 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

Educate Girls (the Organization) was formed in 2013. The Organization's mission is to promote and protect the right of girls to a quality education, through supporting partners in geographies where the need is greatest, to mobilize communities, enroll girls into school and improve learning outcomes. The Organization's vision is that every girl is in school, learning, and completes 12 years of education.

Program Services -

Enrollment, Retention and Learning Outcome Programs (Audacious Project) - to reach a certain number of out-of-school girls, enroll them into Government schools, support their retention, and improve learning outcomes for children.

Ekatrit Project - SDG Outcomes for Girls - to ensure that marginalized girls are able to access quality education, healthcare, life-skills training, nutrition, menstrual hygiene, and a safe environment.

Educate Girls' Technology Transformation Project - building technology systems to support the identification of out of school girls and to enable the rapid provision of programs and services to support their education and empowerment.

Project Pragati - to facilitate the attainment of 10th Grade credentials for its beneficiaries through the Government-open school system while also providing them access to further opportunities in education, employment, and training.

Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) related to non-profit entities. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions. Descriptions of the two net asset categories are as follows:

- **Net Assets without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Net assets set aside solely through the actions of the Board are referred to as Board Designated and are also reported as net assets without donor restrictions.
- **Net Assets with Donor Restrictions** - Net assets may be subject to donor-imposed stipulations that are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Cash and cash equivalents -

The Organization considers all highly liquid investments with maturities of three months or less, to be cash and cash equivalents. Bank deposit accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a limit of \$250,000. At times during the year, the Organization maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

EDUCATE GIRLS

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2025 AND 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Investments -

Investments are recorded at their readily determinable fair value. Interest, dividends, realized and unrealized gains and losses are included in investment return, which is presented net of investment expenses paid, in the accompanying Statements of Activities and Changes in Net Assets.

Contributions and grants receivable -

Contributions and grants receivable include unconditional promises to give that are expected to be collected in future years. Contributions and grants receivable are recorded at their fair value, which is measured as the present value of the future cash flows. The discount, if applicable on long-term contributions and grants receivable is computed using the risk-adjusted interest rates applicable to the years in which the promises to give were received. Amortization of the discount is included in contributions and grants, if applicable. No discount has been applied, as there are no long-term receivables. All amounts are considered fully collectable; therefore, no allowance is deemed necessary.

Grants payable -

Grants to other organizations which are, in substance, unconditional, are recorded as payables and recognized as expenses in the year notification is given to the grantee. Grants payable are recorded at their present value. The discount on grants payable is amortized over the payment period using the effective interest method. The amortization of this discount is included in grants expense.

Income taxes -

The Organization is exempt from Federal income tax under Section 501(a) of the Internal Revenue Code ("IRC"), as an organization described in IRC Section 501(c)(3). Accordingly, no provision for income taxes has been made in the accompanying financial statements. The Organization is not a private foundation.

Support from contributions and grants -

The Organization receives contributions and grants, including unconditional promises to give from organizations and other entities.

Contributions and grants are recognized in the appropriate category of net assets in the period received. The Organization performs an analysis of the individual contribution agreement to determine if the funding stream follows the contribution rules or if it should be recorded as an exchange transaction depending upon whether the transaction is deemed reciprocal or nonreciprocal in accordance with ASC Topic 958.

Support from contributions and grants is recognized upon notification of the award and satisfaction of all conditions, if applicable. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions, including grants qualifying as contributions, that are unconditional but have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions.

EDUCATE GIRLS

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2025 AND 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Support from contributions and grants (continued) -

Contributions and grants with donor restrictions either in excess of expenses incurred or with time restrictions are shown as net assets with donor restrictions in the accompanying financial statements.

Conditional contributions contain a right of return and a measurable barrier. Contributions are recognized when conditions have been satisfied. Conditional contributions received in advance of meeting specified conditions established by donors are recorded as refundable advances. The Organization's refundable advance totaled \$800,000 and \$250,000 as of March 31, 2025 and 2024, respectively.

In addition, the Organization may obtain funding source agreements related to conditional contributions, which will be received in future years. The Organization's unrecognized conditional contributions to be received in future years totaled \$348,606 and \$691,030 as of March 31, 2025 and 2024, respectively.

Use of estimates -

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses -

The costs of providing the Organization's programs and supporting services have been summarized on a functional basis in the Statements of Activities and Changes in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses directly attributed to a specific functional area are reported as direct expenses within that functional area and expenses that benefited more than one functional area, such as personnel costs, were allocated based on estimated time and effort.

Risks and uncertainties -

The Organization invests in various investment securities. Investment securities are exposed to various risks such as interest rates, market and credit risks.

Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

Reclassification -

Certain amounts in the prior year's financial statements have been reclassified to conform to the current year's presentation. The reclassifications primarily relate to grants payable, which were reclassified between current and noncurrent based on expected timing of payments. The reclassifications had no effect on the previously reported changes in net assets.

EDUCATE GIRLS

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2025 AND 2024

2. INVESTMENTS AND FAIR VALUE MEASUREMENTS

In accordance with FASB ASC 820, *Fair Value Measurement*, the Organization has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Investments recorded in the Statements of Financial Position are categorized based on the inputs to valuation techniques as follows:

Level 1. These are investments where values are based on unadjusted quoted prices for identical assets in an active market the Organization has the ability to access.

Level 2. These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

Level 3. These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodologies used and there were no transfers between levels in the fair value hierarchy during the years ended March 31, 2025 and 2024. Transfers between levels are recorded at the end of the reporting period, if applicable.

U.S. Government Securities - Valued at the closing price reported in the active market in which the individual securities are traded.

The table below summarizes investments, which are measured at fair value on a recurring basis, by level within the fair value hierarchy as of March 31, 2025:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments:				
U.S. Government Securities	\$ <u>26,447,045</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>26,447,045</u>

The table below summarizes investments, which are measured at fair value on a recurring basis, by level within the fair value hierarchy as of March 31, 2024:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments:				
U.S. Government Securities	\$ <u>35,853,402</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>35,853,402</u>

Net investment return consisted of the following for the years ended March 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Interest and dividends	\$ 1,192,087	\$ 890,463
Unrealized gain	787,829	1,019,788
Realized gain (loss)	<u>26,000</u>	<u>(10,859)</u>
NET INVESTMENT RETURN	\$ <u>2,005,916</u>	\$ <u>1,899,392</u>

EDUCATE GIRLS

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2025 AND 2024

3. GRANTS PAYABLE

During the year ended March 31, 2024, the Organization awarded a multi-year grant to a non-profit organization in India in the amount of \$30,000,000. There were no multi-year grants awarded for the year ended March 31, 2025. Grants payable that are due in more than one year have been recorded at the net present value of their estimated future cash flows using discount rates ranging from 4.43% to 4.99%.

Grants payable are expected to be paid as follows as of March 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Less than one year	\$ 11,500,000	\$ 12,557,945
One to five years	<u>24,000,000</u>	<u>30,000,000</u>
Total	35,500,000	42,557,945
Less: Allowance to discount balance to present value	<u>(4,702,310)</u>	<u>(5,651,399)</u>
GRANTS PAYABLE, NET	<u>\$ 30,797,690</u>	<u>\$ 36,906,546</u>

Grant expense totaled \$4,497,410 and \$27,888,650, respectively, for the years ended March 31, 2025 and 2024.

4. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following as of March 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Subject to expenditure for specified purpose:		
Enrollment, retention and learning outcome programs	\$ 7,438,456	\$ 7,138,456
Project Pragati	480,000	135,732
Subject to passage of time	<u>800,000</u>	<u>-</u>
NET ASSETS WITH DONOR RESTRICTIONS	<u>\$ 8,718,456</u>	<u>\$ 7,274,188</u>

The following net assets with donor restrictions were released from donor restrictions either by incurring expenses which satisfied the restricted purposes specified by the donors or through the passage of time during the years ended March 31, 2025 and 2024, respectively:

	<u>2025</u>	<u>2024</u>
Purpose restrictions accomplished:		
Enrollment, retention and learning outcome programs	\$ 20,000	\$ 1,690,171
Ekatrit Project - SDG Outcomes for Girls	-	200,473
Educate Girls' Technology Transformation Project	-	75,515
Project Pragati	245,722	941,735
Expiration of time restrictions	<u>600,000</u>	<u>-</u>
NET ASSETS RELEASED FROM DONOR RESTRICTIONS	<u>\$ 865,722</u>	<u>\$ 2,907,894</u>

EDUCATE GIRLS

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2025 AND 2024

5. LIQUIDITY AND AVAILABILITY

Financial assets available for use for general expenditures within one year of the Statements of Financial Position date comprise the following as of March 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 14,465,340	\$ 7,914,191
Investments	26,447,045	35,853,402
Contributions and grants receivable	<u>960,000</u>	<u>-</u>
Subtotal financial assets available within one year	41,872,385	43,767,593
Less: Noncurrent contributions and grants receivable	(250,000)	-
Less: Refundable advance	(800,000)	(250,000)
Less: Donor restricted funds	<u>(7,758,456)</u>	<u>(7,274,188)</u>

**FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS
FOR GENERAL EXPENDITURES WITHIN ONE YEAR** **\$ 33,063,929** **\$ 36,243,405**

The Organization has a policy to structure its financial assets to be available and liquid as its obligations become due. The Organization has also committed to approximately \$35,500,000 in grants payable, which are scheduled to be disbursed over the next five years. For further information, refer to Note 3.

6. RETIREMENT PLAN

The Organization adopted a defined contribution plan (the Plan). The Plan covers substantially all eligible employees. Employees become eligible to participate upon their hire date. Employees are eligible for matching contributions the first of the month after completing six months of service. Employees deferrals may not exceed IRC limits. The employer may make discretionary matching contributions equal to a uniform percentage of Dollar amount of the elective employee contributions at the discretion of the Board of Directors of the Organization.

The employer may also make a discretionary non-elective contribution, which is allocated based on the percentage of an eligible individual compensation to the total compensation for all eligible participants. Employer non-elective and matching contributions vest over a specific period as described in the Plan. The Organization elected to match employee contributions made to the Plan during 2024, totaling \$9,481, which is included in Compensation expense in the accompanying Statement of Functional Expenses. No matching contributions were made for the year ended March 31, 2025.

7. CONCENTRATION OF REVENUE

During the year ended March 31, 2025, approximately 48% of the Organization's revenue was derived from three donors. There was no significant concentration of revenue during the year ended March 31, 2024. The Organization has no reason to believe these donor relationship will be discontinued in the foreseeable future. However, any interruption of these relationships would adversely affect the Organization's ability to finance ongoing operations.

EDUCATE GIRLS

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2025 AND 2024

8. DEFICIT IN NET ASSETS WITHOUT DONOR RESTRICTIONS

The Organization has put plans in place to utilize its restricted net assets towards planned program activities in the coming years. The Organization has expanded its outreach in Bihar, Rajasthan, and has added 25 new grantees. A significant majority of the funds are fully committed to program expenditure for specific projects, Program Vidya, and Pragati.

These projects aim to enroll approximately 1,560,000 girls into school in rural communities in India, improve learning outcomes for 950,000 children, ensure a responsible exit strategy for our partner program villages (operationalized in the past 3-5 years) including ongoing enrollment, and learning support for children over the next few years.

Furthermore, the five and ten year strategic plan includes an ambitious goal of impacting ten million learners over the next ten years in the most marginalized geographies with some of the most vulnerable girls in rural India. There is a critical need to accelerate fundraising, to meet the bold goals of Educate Girls, to serve all girls up the life cycle from ages 6-29, and ensure that they have access to education and opportunity. During the year ended March 31, 2025, the Organization's financial position improved, resulting in a positive net asset balance without donor restrictions. Management continues to monitor operations to maintain financial stability.

9. SUBSEQUENT EVENTS

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through September 24, 2025, the date the financial statements were issued.