

Days for Girls International

Financial Statements with
Independent Auditor's Report

Years Ended December 31, 2024 and 2023



Days for Girls International

Contents

	Page
Independent Auditor's Report	1-2
Financial Statements	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses.....	5
Statements of Cash Flows	6
Notes to Financial Statements	7-12

Independent Auditor's Report

To the Board of Directors
Days for Girls International
Mount Vernon, Washington

Opinion

I have audited the accompanying financial statements of Days for Girls International (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Days for Girls International (the Organization) as of December 31, 2024 and 2023, 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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I:

- 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 my 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.

I am 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 I identified during the audit.



Bellingham, Washington
July 1, 2025

Days for Girls International

Statements of Financial Position

December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Assets		
Cash and cash equivalents	\$ 961,580	\$ 1,092,440
Pledges receivable	287,256	54,695
Receivables from affiliates, net	229,839	280,970
Inventory	62,405	90,169
Other assets	65,993	73,718
Right of use asset	<u>69,198</u>	<u>106,176</u>
Total assets	<u>\$ 1,676,271</u>	<u>\$ 1,698,168</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued liabilities	\$ 29,788	\$ 49,593
Deferred grant support	296,608	138,756
Lease liability	<u>70,998</u>	<u>106,626</u>
Total liabilities	397,394	294,975
Net assets		
Without donor restrictions		
Board-designated operating reserve	240,030	214,057
Undesignated	<u>776,361</u>	<u>1,062,415</u>
Total without donor restrictions	1,016,391	1,276,472
With donor restrictions	<u>262,486</u>	<u>126,721</u>
Total net assets	<u>1,278,877</u>	<u>1,403,193</u>
Total liabilities and net assets	<u>\$ 1,676,271</u>	<u>\$ 1,698,168</u>

Days for Girls International

Statements of Activities

Years Ended December 31, 2024 and 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue						
Contributions	\$ 2,697,740	\$ 262,486	\$ 2,960,226	\$ 2,741,150	\$ 69,659	\$ 2,810,809
In-kind contributions	150,831	-	150,831	116,286	-	116,286
Other income	120,487	-	120,487	102,411	-	102,411
Satisfaction of restrictions	126,721	(126,721)	-	557,006	(557,006)	-
Total support and revenue	3,095,779	135,765	3,231,544	3,516,853	(487,347)	3,029,506
Expenses						
Program services	2,626,762	-	2,626,762	2,618,659	-	2,618,659
Management and general	354,804	-	354,804	338,686	-	338,686
Fundraising	374,294	-	374,294	357,201	-	357,201
Total expenses	3,355,860	-	3,355,860	3,314,546	-	3,314,546
Changes in net assets	(260,081)	135,765	(124,316)	202,307	(487,347)	(285,040)
Net assets – beginning of year	1,276,472	126,721	1,403,193	1,074,165	614,068	1,688,233
Net assets – end of year	\$ 1,016,391	\$ 262,486	\$ 1,278,877	\$ 1,276,472	\$ 126,721	\$ 1,403,193

Days for Girls International

Statements of Functional Expenses

Years Ended December 31, 2024 and 2023

	2024				2023			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Salaries and wages	\$ 630,920	\$ 176,035	\$ 142,259	\$ 949,214	\$ 487,338	\$ 220,662	\$ 197,061	\$ 905,061
Payroll taxes	51,776	13,874	11,226	76,876	40,126	23,087	16,760	79,973
Employee benefits	32,371	9,023	4,932	46,326	5,949	7,442	2,672	16,063
Total payroll and related	715,067	198,932	158,417	1,072,416	533,413	251,191	216,493	1,001,097
Kit distribution	976,020	-	-	976,020	1,273,273	-	983	1,274,256
Contractors	297,506	6,051	-	303,557	227,645	-	-	227,645
International grants and assistance	231,357	-	-	231,357	246,471	-	-	246,471
Office and occupancy	112,910	35,178	55,673	203,761	100,420	30,446	37,225	168,091
Miscellaneous	104,343	63,328	16,056	183,727	99,657	24,208	17,787	141,652
Professional services, including in-kind	63,218	51,315	59,927	174,460	55,313	32,841	5,897	94,051
Global education and development	126,341	-	-	126,341	82,467	-	-	82,467
Advertising and promotion, including in-kind	-	-	84,221	84,221	-	-	78,816	78,816
Total expenses	\$ 2,626,762	\$ 354,804	\$ 374,294	\$ 3,355,860	\$ 2,618,659	\$ 338,686	\$ 357,201	\$ 3,314,546

Days for Girls International

Statements of Cash Flows

Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities		
Changes in net assets	\$ (124,316)	\$ (285,040)
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:		
Change in allowance for credit losses	50,000	22,062
Reduction in the carrying amount of right of use asset, net of lease liability accretion	41,400	28,864
Noncash changes in other assets	22,642	6,155
Decrease (increase) in assets		
Pledges receivable	(232,561)	501,879
Receivables from affiliates	1,131	24,340
Inventory	27,764	116,617
Other assets	(12,968)	10,538
Increase (decrease) in liabilities		
Accounts payable and accrued liabilities	(19,805)	(62,966)
Deferred grant support	157,852	40,696
Lease liability	(40,050)	(28,800)
Net cash provided (used) by operating activities	<u>(128,911)</u>	<u>374,345</u>
Cash flows from investing activities		
Purchases of equipment	<u>(1,949)</u>	<u>(12,362)</u>
Net cash used by investing activities	<u>(1,949)</u>	<u>(12,362)</u>
Net increase (decrease) in cash and cash equivalents	(130,860)	361,983
Cash and cash equivalents – beginning of year	<u>1,092,440</u>	<u>730,457</u>
Cash and cash equivalents – end of year	<u>\$ 961,580</u>	<u>\$ 1,092,440</u>
Supplemental cash flow information		
Non-cash investing and financing activities		
Lease liability arising from obtaining right-of-use asset	<u>\$ -</u>	<u>\$ 115,194</u>

Notes to Financial Statements

December 31, 2024 and 2023

Note 1 – Summary of Significant Accounting Policies

Nature of activities – Days for Girls International (the Organization) is a Washington State nonprofit corporation formed in 2011. The Organization’s mission is to increase access to menstrual care and education by developing global partnerships, cultivating social enterprises, mobilizing volunteers, and innovating sustainable solutions that shatter stigmas and limitations for women and girls.

The Organization facilitates the production of patented Days for Girls kits (kits) in two ways: in conjunction with its foreign related charitable organizations (see Note 6) and by providing foreign locally-owned enterprises, located in the countries being served, with exclusive licensing access to its patented kits. Additionally, the Organization provides education curriculum, local jobs and leadership opportunities. These relationships are collectively referred to as “affiliates.”

The Organization also reaches communities through relationships with affiliates who donate to women and girls all over the globe. The Organization utilizes many volunteers, who are organized into domestic chapters, teams, or clubs (domestic branches), to produce kits and serve as advocates for the issue of menstrual equity. The Organization does not act as fiscal sponsor for these domestic branches.

Basis of accounting – The Organization prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP), which involves the application of accrual accounting. Accordingly, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

Basis of presentation – The Organization presents its financial statements in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958. Under this standard, the Organization is required to present its financial position and activities according to two classes of net assets:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and over which the Board of Directors has discretionary control.

Net assets with donor restrictions – Net assets subject to donor-imposed restrictions or time restrictions that will be met either through actions of the Organization or by passage of time, including contributions restricted by the donor to be invested in perpetuity, if any.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. In the period donor restrictions are met, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as satisfaction of restrictions. When donor restrictions are met during the same period that the contribution is received, the contribution is recognized as without donor restrictions.

Cash and cash equivalents – The Organization considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. The Organization maintains its cash in bank accounts that may exceed federally insured limits at times during the year. The Organization has not experienced any losses in these accounts, and management does not believe it is exposed to any significant credit risk.

Notes to Financial Statements

December 31, 2024 and 2023

Note 1 – Summary of Significant Accounting Policies – (Continued)

Pledges receivable – Unconditional promises to give (pledges) that are expected to be collected within one year are recorded at their net realizable value. Pledges expected to be collected in future years are recorded at the present value of estimated future cash flows using a discount rate commensurate with the risk involved. An estimated allowance for uncollectible pledges is recorded based on historical payment trends. The Organization considers all pledges receivable fully collectible within one year as of December 31, 2024 and 2023; thus, no allowance has been established for uncollectible pledges. Pledges from one and three donors represented 87% and 100% of total pledges receivable as of December 31, 2024 and 2023, respectively.

Receivables from affiliates – Receivables from affiliates (receivables) consist primarily of non-interest bearing amounts due from kit and kit component orders. Receivables are stated net of allowance for credit losses and represent the amount expected to be collected. Management estimates an allowance for credit losses based on prior experience collecting receivables, the aging of the receivables at year-end, and management's appraisal of current economic conditions. Based on the above factors, management has recognized an allowance for credit losses totaling \$50,000 and \$22,062 for the years ended December 31, 2024 and 2023, respectively. Non-current receivables, net of the allowance for credit losses, expected to be collected in one to five years total \$104,839 and \$218,080 as of December 31, 2024 and 2023, respectively.

Inventory – Inventory is recorded at the lower of cost or market. Inventory is recorded using the first in, first out method. Inventory consists of branded items to sell on the Organization's website, as well as raw materials that are sold to affiliates for kit production.

Leases – The Organization determines if an arrangement is, or contains, a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities in the statements of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. Operating lease expense is recognized on a straight-line basis over the lease term. The Organization does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term. All lease related expenses are presented as office and occupancy expense on the accompanying statements of functional expenses.

Contributions – Contributions support consists of contributions and grants and is recognized in the period received or when an unconditional promise to give is made, whichever is earlier. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Conditional grants received in advance of the conditions being met are recorded as deferred grant support in the accompanying statements of financial position.

The Organization receives contributions earmarked for many of its domestic branches and generally grants such funds to the domestic branch to cover kit production costs. In all cases, the Organization has variance power over the earmarked contributions, including monitoring the amount of designated contributions to ensure that transfers only occur to cover reasonable kit production costs. Contributions earmarked for domestic branches totaled \$438,472 and \$441,955 during the years ended December 31, 2024 and 2023, respectively. Amounts distributed to domestic branches totaled \$433,556 and \$776,622 during the years ended December 31, 2024 and 2023, respectively. Collections for, and distributions to, domestic branches are included in contributions support and kit distributions expense, respectively, in the accompanying financial statements.

There were no contributions concentrations for the years ended December 31, 2024 and 2023.

Notes to Financial Statements

December 31, 2024 and 2023

Note 1 – Summary of Significant Accounting Policies – (Continued)

Donated goods and services – Donations of goods and services are recorded at their estimated fair values at the date of donation. Donated services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased. In addition, many volunteers have donated significant amounts of time to the Organization’s program services and fundraising campaigns. The services of these volunteers are not recorded in the accompanying financial statements as they do not meet the criteria for recognition.

Donated services are recognized at fair market value according to the rate for that specific service and donated goods are recognized at fair market value based on similar goods available in the area. The Organization uses all goods and services in their operations and does not monetize any in-kind goods and services received. There were no donor restrictions on donated goods and services during the years ended December 31, 2024 and 2023. Donated services recognized from online advertising and professionals possessing specialized skills totaled \$150,831 and \$115,686 during the years ended December 31, 2024 and 2023, respectively. Donated goods recognized totaled \$600 during the year ended December 31, 2023. There were no donated goods during the year ended December 31, 2024.

Advertising – Advertising costs are expensed as incurred and totaled \$84,221 and \$78,816 for the years ended December 31, 2024 and 2023, respectively. These expenses are presented as advertising and promotion in the accompanying statements of functional expenses. As noted above, these totals include \$68,785 and \$56,663 of advertising that was received as in-kind donations during the years ended December 31, 2024 and 2023, respectively.

Functional allocation of expenses – The costs of providing various programs and other activities have been summarized on the functional basis in the accompanying statements of activities and functional expenses. Expenses are directly allocated where possible and certain expenses not directly related to a particular function are allocated on a reasonable basis that is consistently applied. The method of allocation applied to expenses is based on estimates of time and effort. To accomplish this, management reviews detailed wage breakdowns to determine an estimated percentage of time spent in a given function. A similar ratio is then applied to other categories of expenses as well.

Federal income taxes – The Organization is a nonprofit organization under Section 501(c)(3) of the Internal Revenue Code and is therefore exempt from federal income tax on income derived from activities related to its tax-exempt purposes. Accordingly, no provision for income tax is necessary.

Use of estimates – The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Reclassifications – Certain reclassifications have been made to the prior year’s financial statements to conform to the current year’s presentation. These reclassifications had no effect on the net assets or changes in net assets as of or for the year ended December 31, 2023.

Subsequent events – In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through July 1, 2025, the date the financial statements were available to be issued.

Notes to Financial Statements

December 31, 2024 and 2023

Note 2 – Liquidity and Availability

Financial assets available for general expenditure within one year consist of the following as of December 31:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 961,580	\$ 1,092,440
Pledges receivable	287,256	54,695
Receivables from affiliates, net	229,839	280,970
Other financial assets	1,564	6,859
Less amounts not available for general expenditure within one year		
Non-current portion of receivables from affiliates	(104,839)	(218,080)
Board-designated operating reserve	(240,030)	(214,057)
Donor-restricted for specific purposes	<u>(262,486)</u>	<u>(126,721)</u>
	<u>\$ 872,884</u>	<u>\$ 876,106</u>

The Organization has a board-designated operating reserve, with the goal of reserving three months of expenses. As of December 31, 2024 and 2023, the operating reserve is at less than one month of expenses. Future budgets include plans to increase the reserve as a percentage of support and revenue. The operating reserve funds are to be utilized for emergent cash needs, as determined by the Board of Directors, and can only be released with Board approval. As such, these board-designated assets are not considered available for general expenditure within the next year. However, the board-designated amounts could be made available, if necessary. In addition, the Organization has certain donor-restricted net assets limited to use (see Note 5), which are not available for general expenditure within one year in the normal course of operations. Accordingly, these assets have been subtracted from the quantitative information above. The Organization has a \$100,000 line-of-credit with a bank available to be used as needed (see Note 4).

Note 3 – Leases

The Organization evaluated current contracts to determine which met the criteria of a lease. The ROU asset represents the Organization's right to use underlying assets for the lease term, and the lease liability represents the Organization's obligation to make lease payments arising from this lease. The ROU asset and lease liability, both of which arise from this operating lease, were calculated based on the present value of future lease payments over the lease term. For years ended December 31, 2024 and 2023, the Organization utilized a risk-free rate to discount future lease payments. The rate applied to calculate lease liabilities was 4.88% as of December 31, 2024 and 2023.

The Organization's operating lease consists of a warehouse for storing inventory and operating the Resource Shop in North Salt Lake, Utah. The prior lease agreement expired in September 2023 and a new lease was entered into with the existing landlord for an additional three year-term. The lease agreement does not contain an option to renew.

For the years ended December 31, 2024 and 2023, total operating lease cost was \$43,035 and \$30,244, respectively. Total short-term lease cost was nil for the years ended December 31, 2024 and 2023. As of December 31, 2024, the Organization's operating lease remaining term was approximately 1.75 years.

Notes to Financial Statements

December 31, 2024 and 2023

Note 3 – Leases – (Continued)

Future maturities of lease liabilities are presented in the following table, for the years ending December 31:

2025	\$ 41,850
2026	<u>32,400</u>
Total lease payments	74,250
Less present value discount	<u>(3,252)</u>
	<u>\$ 70,998</u>

Note 4 – Line-of-Credit

The Organization maintains an unsecured \$100,000 line-of-credit (LOC) with a bank. Draws on the LOC bear interest at the bank's prime rate plus 6.75% (14.5% at December 31, 2024). The LOC is set to renew annually, unless cancelled by the Organization. No draws were outstanding on the LOC as of December 31, 2024 and 2023.

Note 5 – Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following purposes as of December 31:

	<u>2024</u>	<u>2023</u>
Kit distribution outreach, education, and advocacy	\$ 210,901	\$ 9,400
Education program	34,198	1,857
Enterprise program	17,387	55,000
Administrative and travel	-	54,785
Volunteer program	-	5,679
	<u>\$ 262,486</u>	<u>\$ 126,721</u>

Note 6 – Related Parties

The Organization provides financial assistance to certain foreign charities that are affiliated with the Organization through common board members. These foreign affiliates exist to support the same mission as the Organization. The Organization provides significant financial and educational support to these affiliates. While the affiliates have an economic interest in the Organization, the Organization lacks the prerequisite level of control over the affiliates to require consolidation. Thus, the affiliates' financial statements are not consolidated within the Organization's financial statements as of December 31, 2024 and 2023.

Days for Girls International

Notes to Financial Statements

December 31, 2024 and 2023

Note 6 – Related Parties – (continued)

Grants and support provided to these foreign affiliates, which are included within kit distribution and international grants and assistance expenses in the accompanying statements of functional expenses, totaled the following during the years ended December 31:

	<u>2024</u>	<u>2023</u>
Days for Girls Uganda	\$ 136,612	\$ 122,097
Days for Girls Kenya	61,383	94,067
Days for Girls Nepal	49,300	33,100
Days for Girls Ghana	215	5,652
Days for Girls Malawi Club	-	18,034
Days for Girls Australia Limited	-	2,500
Days for Girls United Kingdom	-	248
	<u>\$ 247,510</u>	<u>\$ 275,698</u>

Amounts due from related parties totaled the following as of December 31:

	<u>2024</u>	<u>2023</u>
Days for Girls Kenya	\$ 208,998	\$ 214,569
Days for Girls Uganda	68,975	88,248
Days for Girls Ghana	-	215
Others	1,866	-
	<u>\$ 279,839</u>	<u>\$ 303,032</u>

The Organization recorded an allowance for uncollectible receivables from affiliates totaling \$50,000 and \$22,062, resulting in net receivables from affiliates totaling \$229,839 and \$280,970 for the years ended December 31, 2024 and 2023, respectively.

Amounts payable to foreign affiliates totaled \$2,795 and \$753 for the years ended December 31, 2024 and 2023, respectively. These related party payables are included within accounts payable and accrued liabilities in the accompanying statements of financial position.

Note 7 – Contingencies

In the normal course of activities, the Organization may be, from time to time, subject to allegations that may result, or do result, in litigation. The Organization’s policy is to evaluate any such allegations by conducting investigations to determine the validity of each potential claim. Based upon the advice of counsel, management discloses an estimate of the amount of ultimate expected loss, if any, for each of these matters. No amounts are disclosed for loss contingencies as of December 31, 2024 and 2023. Events could occur that would cause the estimate of ultimate loss to differ from the amount disclosed.