THE UNIVERSITY OF FONDWA, USA, INC.

Financial Statements Together with
Report of Independent Public Accountants

For the Years Ended December 31, 2024 and 2023

THE UNIVERSITY OF FONDWA, USA, INC.

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Report of Independent Public Accountants

DECEMBER 31, 2024 and 2023

CONTENTS

Certified Public
Accountants &
SBC Business Advisors

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON THE AUDIT OF THE FINANCIAL STATEMENTS

To the Board of Directors of
The University of Fondwa, USA, Inc.

Opinion

We have audited the statements of financial position of The University of Fondwa, USA, Inc. (uFondwa, USA), as of December 31, 2024 and 2023, 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 accompanying financial statements present fairly, in all material respects, the financial position of uFondwa, USA 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

We conducted our audits 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 uFondwa, USA 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 controls 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 uFondwa, USA's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 controls. 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 controls 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 uFondwa, USA's internal controls. 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 uFondwa, USA's ability to continue as a going concern one year after the issuance date or the date the financial statements are available for issuance.

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 controls-related matters that we identified during the audit.

Owings Mills, Maryland
August 28, 2025

SB & Company, LLC

THE UNIVERSITY OF FONDWA, USA, INC.

Statements of Financial Position
As of December 31, 2024 and 2023

		2024		2023
ASSETS				
Cash and cash equivalents	**$**	**377,222**	$	101,534
Investments		**353,657**		485,706
Pledges and grants receivable, net		**454,047**		120,960
Total Assets	**$**	**1,184,926**	$	708,200
LIABILITIES AND NET ASSETS				
Liabilities				
Accounts payable	**$**	**18,571**	$	14,007
Net Assets				
Without donor restrictions		**284,101**		(17,690)
With donor restrictions		**882,254**		711,883
Total Net Assets		**1,166,355**		694,193
Total Liabilities and Net Assets	**$**	**1,184,926**	$	708,200

The accompanying notes are an integral part of these financial statements.

THE UNIVERSITY OF FONDWA, USA, INC.

Statements of Activities and Changes in Net Assets
For the Years Ended December 31, 2024 and 2023

	2024	2023
NET ASSETS WITHOUT DONOR RESTRICTIONS		
Revenue and Other Support		
Grants and contributions	**$ 1,295,252**	$ 671,170
Investment income	**19**	863
Net assets released from restrictions	**688,194**	956,360
Total Revenue and Other Support	**1,983,465**	1,628,393
Expenses		
Program services	**1,575,555**	1,689,876
General and administrative	**106,119**	72,918
Total Expenses	**1,681,674**	1,762,794
Change in Net Assets Without Donor Restrictions	**301,791**	(134,401)
NET ASSETS WITH DONOR RESTRICTIONS		
Grants	**836,803**	173,240
Investment income	**21,762**	30,668
Net assets released from restrictions	**(688,194)**	(956,360)
Change in Net Assets With Donor Restrictions	**170,371**	(752,452)
Changes in net assets	**472,162**	(886,853)
Net assets, beginning of year	**694,193**	1,581,046
Net Assets, End of Year	**$ 1,166,355**	$ 694,193

Statement of Functional Expenses
For the Year Ended December 31, 2024, with Comparative Totals for 2023

	2024			
	Program Services	General and Administrative	Total	2023 Totals
Grants	$ 1,554,915	$ -	$ 1,554,915	$ 1,661,937
Professional fees	20,640	87,126	107,766	73,609
Miscellaneous expenses	-	7,954	7,954	15,653
Insurance	-	6,494	6,494	6,363
Travel and meetings	-	4,545	4,545	5,232
Total Expenses	$ 1,575,555	$ 106,119	$ 1,681,674	$ 1,762,794

The accompanying notes are an integral part of this financial statement.

THE UNIVERSITY OF FONDWA, USA, INC.

Statement of Functional Expenses
For the Year Ended December 31, 2023

	Program Services	General and Administrative	Total
Grants	$ 1,661,937	$ -	$ 1,661,937
Professional fees	23,827	49,782	73,609
Miscellaneous expenses	4,112	11,541	15,653
Insurance	-	6,363	6,363
Travel and meetings	-	5,232	5,232
Total Expenses	$ 1,689,876	$ 72,918	$ 1,762,794

The accompanying notes are an integral part of this financial statement.

THE UNIVERSITY OF FONDWA, USA, INC.

Statements of Cash Flows
For the Years Ended December 31, 2024 and 2023

	2024	2023
Cash Flows from Operating Activities		
Changes in net assets	$ **472,162**	$ (886,853)
Adjustments to reconcile change in net assets to net cash from operating activities:		
Unrealized gain on investments	**-**	(12,120)
Reinvested earnings	**(21,779)**	-
Effects of changes in non-cash operating assets and liabilities:		
Pledges and grants receivable, net	**(333,087)**	(15,724)
Accounts payable	**4,564**	11,388
Net Cash from Operating Activities	**121,860**	(903,309)
Cash Flows from Investing Activities		
Sale of investments	**844,942**	1,392,540
Purchase of investments	**(691,114)**	(1,866,126)
Net Cash from Investing Activities	**153,828**	(473,586)
Net change in cash and cash equivalents	**275,688**	(1,376,895)
Cash and cash equivalents, beginning of year	**101,534**	1,478,429
Cash and Cash Equivalents, End of Year	$ **377,222**	$ 101,534

The accompanying notes are an integral part of these financial statements.

1. BACKGROUND OF THE ORGANIZATION

Inspired by the vision of the University of Fondwa in Haiti (UNIF), – Haiti's first rural University – The University of Fondwa, USA, Inc. (uFondwa, USA or the Organization) was organized by U.S. citizens to: Raise funds to support UNIF, provide technical assistance to UNIF, and to be ambassadors for UNIF and for the development of rural Haiti. Because of the synergy between UNIF and its surrounding community, uFondwa, USA supports other grassroots development projects in Fondwa and rural Haiti like the Peasant Association of Fondwa, the Sisters of St. Anthony of Fondwa, and the Father Joseph Network.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements of uFondwa, USA are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Use of Estimates

The preparation of 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 and disclosures of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue, support, and expenses during the reporting period. Accordingly, actual results could differ from those estimates and assumptions.

Cash and Cash Equivalents

uFondwa, USA considers all cash and other highly liquid investment funds with original maturities of 90 days or less to be cash equivalents. As of December 31, 2023, cash equivalents consisted of money market funds. As of December 31, 2024, there were no cash equivalents.

Fair Value Measurements

Accounting standards generally accepted in the United States of America establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair Value Measurements (continued)

The three levels of the fair value hierarchy under generally accepted accounting principles (GAAP) are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that uFondwa, USA has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Financial instruments consist of cash and cash equivalents, investments, receivables, and payables. The carrying value of uFondwa USA's financial instruments in the accompanying statements of financial position approximates their respective estimated fair values as of December 31, 2024 and 2023. Fair values are estimated based on current market rates, prices, or liquidation value.

Pledges and Grants Receivable, Net

Pledges receivable represents unconditional promises to give from various individuals. Grants receivable represent unconditional commitments from grantors. Pledges and grants receivable are recorded at the donated amount less a discount for those donations expected to be collected over a period greater than one year.

The unamortized discount is accreted into contribution revenue in the future. The discount rate was 3.7% for each of the years ended December 31, 2024 and 2023.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Pledges and Grants Receivable, Net (continued)

uFondwa, USA records an allowance for doubtful accounts, if needed, equal to estimated losses that will be incurred in the collection of the receivables. The estimated losses are based on specific identification of uncollectible accounts. Pledges and grants receivable are recorded at their net realizable value. As of December 31, 2024 and 2023, there was no allowance for doubtful accounts as management considers all amounts to be fully collectible.

Net Assets

Net assets without donor restrictions are assets and contributions that are not restricted by donors or for which restrictions have expired.

Net assets with donor restrictions are those whose use by uFondwa, USA has been limited by donors, primarily for a specific time period or purpose. When a donor restriction is met, net assets with donor restrictions are reclassified to net assets without donor restrictions. If a donor restriction is met in the same reporting period in which the contribution is received, the contribution (to the extent that the restrictions have been met) is reported as net assets without donor restrictions.

When a donor restriction expires, that is, when some stipulated time restriction ends or purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying statements of activities and change in net assets as net assets released from restrictions.

As of December 31, 2023, uFondwa, USA utilized restricted funds to meet current obligations. Net assets without donor restrictions as of December 31, 2023, was negative \$17,690. As of December 31, 2024, uFondwa, USA had an increase in unrestricted funds. Net assets without donor restrictions as of December 31, 2024, was positive \$284, 101.

Revenue and Support

uFondwa, USA recognizes grants and contributions when an unconditional promise to give is received. Conditional promises to give, with a measurable performance or other barriers and a right of return, are not recognized until the conditions on which they depend have been met.

Grants and contributions received are recorded as net assets with or without donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue and Support (continued)

Unrealized and realized gains and losses, dividends, and interest from investing activities in income producing assets are included in the applicable net asset classification depending on donor restrictions.

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized based on the natural classification of expenses in the accompanying statements of activities and changes in net assets and on a functional basis for the years ended December 31, 2024 and 2023. General and administrative expenses include those expenses that are not directly identified with any other specific function but to provide for the overall support and direction of uFondwa, USA. Accordingly, certain costs have been allocated between program and general and administrative services that benefit from those costs based on management's assessment of the level of effort.

Income Taxes

uFondwa, USA is a not-for-profit organization that is exempt from the payment of federal taxes, other than net unrelated business income taxes, under the provisions of Section 501(c)(3) of the United States Internal Revenue Code (IRC) and is recognized as such by the Internal Revenue Service.

Accounting principles generally accepted in the United States of America provide consistent guidance for the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribe a threshold of "more likely than not" for recognition of tax positions taken or expected to be taken in a tax return. uFondwa, USA performed an evaluation of uncertain tax positions as of December 31, 2024 and 2023, and determined that there were no matters that would require recognition in the accompanying financial statements or which may have any effect on its tax-exempt status.

As of December 31, 2024, the statute of limitations for calendar years 2021 through 2024 remains open with the U.S. federal jurisdiction and the various state and local jurisdictions in which uFondwa, USA files tax returns. It is uFondwa, USA's policy to recognize interest and/or penalties related to uncertain tax positions, if any, as income tax expense in the statements of activities and change in net assets.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Liquidity and Availability of Resources

The following reflects uFondwa, USA's financial assets as of December 31, 2024 and 2023, reduced by the amounts not available for general use within one year because of donor-imposed restrictions.

	2024	2023
Cash and cash equivalents	$ **377,222**	$ 101,534
Investments	**353,657**	485,706
Pledges and grants receivable, net	**454,047**	120,960
Financial assets, at year-end	**1,184,926**	708,200
Less: those unavailable for general expenditures within one year, due to:		
Donor restrictions - purpose	**882,254**	711,883
Financial Assets Available to Meet Cash Needs for General Expenditures within One Year	**$ 302,672**	$ (3,683)

uFondwa, USA manages its liquidity following two guiding principles: operating within a prudent range of financial soundness and stability, and maintaining access to adequate liquid assets to fund near-term operating needs.

As of December 31, 2023, uFondwa, USA had negative financial assets available to meet general obligations of $3,683. During the year ended December 31, 2024, the Organization focused on increasing fundraising for unrestricted funds.

Subsequent Events

uFondwa, USA's management has evaluated the accompanying financial statements for subsequent events and transactions through August 28, 2025, the date these financial statements were available for issue, and has determined that no material subsequent events have occurred that would affect the information presented in the accompanying financial statements or require additional disclosure.

3. PLEDGES RECEIVABLES, NET

As of December 31, 2024 and 2023, pledges receivable included the following unconditional promises to give:

	2024	2023
Pledges and grants due in:		
Less than one year	**$ 419,733**	$ 81,226
Two to five years	**35,840**	41,260
	455,573	122,486
Less: discount at 3.7%	**1,526**	1,526
Total Pledges and Grants Receivable, Net	**$ 454,047**	$ 120,960

4. INVESTMENTS

The following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodology used as of December 31, 2024 and 2023.

Mutual funds: Valued at the closing price reported on the active market in which the individual securities are traded.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, uFondwa USA believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

As of December 31, 2024 and 2023, investments, consisting of mutual funds, were $353,657 and $485,706, respectively, and classified as Level 1.

For the years ended December 31, 2024 and 2023, investment income consisted of the following:

	2024	2023
Interest and dividends	**$ 21,781**	$ 19,411
Unrealized gains on investments	**-**	12,120
Total Investment Income	**$ 21,781**	$ 31,531

5. NET ASSETS WITH DONOR RESTRICTIONS

As of December 31, 2024 and 2023, net assets with donor restrictions were comprised of the following:

	2024	2023
Salaries and operations - UNIF	**$ 22,050**	$ 191,920
Veterinary school - UNIF	**2,321**	1,321
Support of indigenous nuns - Haiti	**641,325**	490,153
Other projects	**79,660**	28,489
Scholarships	**1,898**	-
Expansion - UNIF	**135,000**	-
Total	**$ 882,254**	$ 711,883

6. CONCENTRATION OF REVENUE

During the years ended December 31, 2024, uFondwa, USA received 75% or $1,596,155 of contributions from two donors. During the year ended December 31, 2023, uFondwa, USA received 85% or $720,000 of contributions from three donors. As of December 31, 2024, there was $300,000 outstanding receivables related to these donors. As of December 31, 2023, there were no outstanding receivables related to these donors. Due to the concentration of revenue, uFondwa, USA could be negatively impacted if these donors discontinued their funding. uFondwa, USA continues to expand its donor base.