

VOW for Girls, Inc.

Financial Statements

December 31, 2024

Independent Auditors' Report

**To the Board of Directors
VOW for Girls, Inc.**

Opinion

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of VOW as of December 31, 2024, and the changes in its net assets and its 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of VOW 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 VOW's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' 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 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 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 VOW'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 VOW'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 VOW's December 31, 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 16, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information in Schedule 1 – 100% Model on page 13 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

PKF O'Connor Davies, LLP

October 9, 2025

VOW for Girls, Inc.

Statement of Financial Position
December 31, 2024
(with comparative amounts as of December 31, 2023)

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 1,626,032	\$ 1,913,277
Contributions receivable, net	815,759	546,424
Prepaid expenses and other assets	<u>32,285</u>	<u>31,576</u>
 Total Assets	 <u>\$ 2,474,076</u>	 <u>\$ 2,491,277</u>
 LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued liabilities	<u>\$ 148,686</u>	<u>\$ 124,599</u>
 Net Assets		
Without donor restrictions	1,520,434	1,680,008
With donor restrictions	<u>804,956</u>	<u>686,670</u>
Total Net Assets	<u>2,325,390</u>	<u>2,366,678</u>
 Total Liabilities and Net Assets	 <u>\$ 2,474,076</u>	 <u>\$ 2,491,277</u>

See notes to financial statements

VOW for Girls, Inc.

Statement of Activities Year Ended December 31, 2024 (with summarized totals for the year ended December 31, 2023)

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total
REVENUE AND SUPPORT				
Contributions				
Corporate partners	\$ -	\$ 144,941	\$ 144,941	\$ 197,930
Foundation donations	936,307	1,700,000	2,636,307	2,350,642
Individual donations	15,375	667,894	683,269	775,344
In-kind contributions	50,190	-	50,190	23,961
Total Contributions	1,001,872	2,512,835	3,514,707	3,347,877
Interest income	18,816	-	18,816	-
Net assets released from restrictions	2,394,549	(2,394,549)	-	-
Total Revenue and Support	3,415,237	118,286	3,533,523	3,347,877
EXPENSES				
Program	2,243,249	-	2,243,249	2,147,063
Management and general	667,322	-	667,322	769,848
Fundraising	664,240	-	664,240	730,086
Total Expenses	3,574,811	-	3,574,811	3,646,997
Change in Net Assets	(159,574)	118,286	(41,288)	(299,120)
NET ASSETS				
Beginning of year	1,680,008	686,670	2,366,678	2,665,798
End of year	\$ 1,520,434	\$ 804,956	\$ 2,325,390	\$ 2,366,678

See notes to financial statements

VOW for Girls, Inc.

Statement of Functional Expenses

Year Ended December 31, 2024

(with summarized totals for the year ended December 31, 2023)

	2024				2023
	Program	Management and General	Fundraising	Total	Total
Grants and awards	\$ 436,450	\$ -	\$ -	\$ 436,450	\$ 550,000
Salaries and related expenses	843,054	287,164	436,536	1,566,754	1,231,037
Professional fees	851	81,742	1,702	84,295	152,730
Consultants	694,395	175,595	155,640	1,025,630	1,334,917
Advertising and marketing (including in-kind expenses of \$5,140 and \$0)	84,277	823	97	85,197	25,623
Professional development	123	2,090	246	2,459	21,093
Dues and subscriptions	427	467	416	1,310	1,938
Technology and telephone	33,133	21,670	12,780	67,583	65,593
Travel and meetings (including in-kind expenses of \$45,050 and \$23,961)	130,463	66,580	48,576	245,619	211,909
Office supplies and others	11,892	5,204	5,151	22,247	35,382
Bank charges	614	10,304	1,228	12,146	11,155
Insurance	890	15,144	1,782	17,816	5,088
Miscellaneous	6,680	539	86	7,305	532
	<u>\$ 2,243,249</u>	<u>\$ 667,322</u>	<u>\$ 664,240</u>	<u>\$ 3,574,811</u>	<u>\$ 3,646,997</u>

See notes to financial statements

VOW for Girls, Inc.

Statement of Cash Flows
Year Ended December 31, 2024
(with comparative amounts for the year ended December 31, 2023)

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (41,288)	\$ (299,120)
Adjustments to reconcile change in net assets to net cash from operating activities		
Discount on contributions receivable	4,040	(725)
Change in operating assets and liabilities		
Contributions receivable	(273,375)	(103,123)
Prepaid expenses and other assets	(709)	(31,576)
Accounts payable and accrued liabilities	<u>24,087</u>	<u>39,025</u>
Net Cash from Operating Activities	(287,245)	(395,519)
 CASH AND CASH EQUIVALENTS		
Beginning of year	<u>1,913,277</u>	<u>2,308,796</u>
 End of year	<u>\$ 1,626,032</u>	<u>\$ 1,913,277</u>

See notes to financial statements

VOW for Girls, Inc.

Notes to Financial Statements December 31, 2024

1. Organization Purpose and Tax Status

VOW for Girls, Inc. ("VOW") is a not-for-profit organization incorporated under the laws of the State of Delaware in September 2018. The purpose of VOW is to raise funds from individuals, brands, and the wedding industry to foster, facilitate, support, and conduct programs, projects and activities designed to end child marriage worldwide. These programs consequently increase girls' access to education, provide job training, reduce rates of underage maternal and child death and further human rights by enabling girls all over the world to fulfill their potential and own their futures.

The Internal Revenue Service has determined that VOW is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

2. Summary of Significant Accounting Policies

Basis of Presentation and Use of Estimates

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Net Asset Classifications

VOW reports information regarding financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

Without donor restrictions – Resources that are fully available at the discretion of management and the Board of Directors (the Board), for use in activities within VOW's charter and mission.

With donor restrictions – represent amounts restricted by donors to be used for specific activities or at some future date. When a donor restriction expires, that is, when a time restriction ends or a purpose restriction is fulfilled, 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.

Cash and Cash Equivalents

Cash equivalents include liquid investments with a maturity of three months or less at the time of purchase.

VOW for Girls, Inc.

Notes to Financial Statements
December 31, 2024

2. Summary of Significant Accounting Policies *(continued)*

Contributions and Contributions Receivable

Contributions to VOW are recorded as revenue upon the receipt of an unconditional pledge or cash or other assets. Contributions are considered available for general use, unless the donors restrict their use. Contributions received that are due in more than one year are discounted at a risk-adjusted rate.

Contributions receivable at December 31 are expected to be collected as follows:

	<u>2024</u>	<u>2023</u>
Due within one year	\$ 719,799	\$ 546,424
Due within two to five years	<u>100,000</u>	<u>-</u>
	819,799	546,424
Less: discount	<u>(4,040)</u>	<u>-</u>
	<u>\$ 815,759</u>	<u>\$ 546,424</u>

Payments expected to be received in more than one year have been discounted to their present value using an interest rate of 4.21%.

VOW's operational expenses, that include employee compensation and related expenses, fundraising expenses and all other general and administrative expenses are paid for by private donors and foundations through contributions without donor restrictions. These amounts are included as contributions without donor restrictions on the accompanying statement of activities. No other cash contributions are used to offset these expenses.

All other contributions, including those made by corporate partners, are raised specifically for program expenses and 100% of these contributions are to be used to support the Girls First Fund, a philanthropic fund for Capital For Good USA, a public charity. These amounts are included as contributions from corporate partners and other contributions on the accompanying statement of activities, and are shown as with donor restrictions, unless no specific restrictions are noted.

Allowance for Doubtful Accounts

VOW maintains an allowance for doubtful accounts for estimated losses that may result from the inability of its donors to make required payments. Such allowances are based upon several factors including, but not limited to, historical collection experience and financial condition of the respective donor. As of December 31, 2024 and 2023, no allowance was considered necessary by management.

VOW for Girls, Inc.

Notes to Financial Statements December 31, 2024

2. Summary of Significant Accounting Policies (*continued*)

In-Kind Contributions

Contributions of donated services are reported in the financial statements at fair value if those services create or enhance non-financial assets or require specialized skills provided by individuals possessing those skills and that would typically be purchased if not provided by donation.

In-kind donations, including donated goods and services meeting the criteria for recognition in the financial statements, are reflected in the statement of activities at their estimated fair value at the date of receipt.

	<u>2024</u>	<u>2023</u>	<u>Utilization in Programs/Activities</u>	<u>Donor Restrictions</u>	<u>Valuation Techniques and Inputs</u>
Meeting expenses	\$ 45,050	\$ 23,961	Program	No associated donor restrictions	(a)
Advertising expenses	<u>5,140</u>	<u>-</u>	Program	No associated donor restrictions	(a)
	<u>\$ 50,190</u>	<u>\$ 23,961</u>			

(a) Contributed goods or services are valued at the estimated fair value based on the fair value of the goods or current rates for similar services.

Advertising

VOW expenses the costs of advertising as incurred. Advertising costs totaled \$85,197 for the year ended December 31, 2024. Advertising costs totaled \$25,623 for the year ended December 31, 2023.

Functional Allocation of Expenses

The costs of providing the program and other activities of VOW have been summarized on a functional basis in the accompanying financial statements. Costs that can be identified with particular programs or support functions are charged directly to that program or function. Salaries and related costs have been allocated among the programs and supporting services based upon management's best estimates of time and effort.

VOW for Girls, Inc.

Notes to Financial Statements
December 31, 2024

2. Summary of Significant Accounting Policies (*continued*)

Accounting for Uncertainty in Income Taxes

VOW recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Management has determined that VOW had no uncertain tax positions that would require financial statement recognition or disclosure. Periods since 2021 remain open to examination.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is October 9, 2025.

3. Concentration of Credit Risk

Financial instruments that potentially subject VOW to concentrations of credit risk consist principally of cash and cash equivalents and contributions receivable. VOW maintains its cash and cash equivalents in bank deposit accounts which generally exceed federally insured limits. Deposits held at financial institutions insured by the Federal Deposit Insurance Corporation ("FDIC") are insured up to \$250,000. As of December 31, 2024 and 2023, VOW's uninsured cash and cash equivalents on deposit totaled approximately \$1,376,000 and \$1,794,000. Receivables are due from well-known institutional donors that were instrumental in the organization's creation and mission and there have been no collectability issues to date.

4. Net Assets With Donor Restrictions

Contributions received with donor restrictions amounted to \$2,512,835 and \$1,682,719 for the years ended December 31, 2024 and 2023. Net assets released from donor restrictions by incurring expenses satisfying the restricted purpose specified by the donor amounted to \$2,394,549 and \$1,498,445 for the years ended December 31, 2024 and 2023. Net assets with donor restrictions as of December 31 amounted to the following:

	<u>2024</u>	<u>2023</u>
Purpose restricted	\$ 80,425	\$ 56,250
Time restricted	<u>724,531</u>	<u>630,420</u>
	<u>\$ 804,956</u>	<u>\$ 686,670</u>

VOW for Girls, Inc.

Notes to Financial Statements December 31, 2024

5. Availability and Liquidity

The following chart reflects VOW's financial assets as of December 31, reduced by amounts considered to not be available for general use within one year of that statement of financial position date. These assets are not available due to either contractual or donor-imposed restrictions or to internal designations.

	2024	2023
Financial Assets:		
Cash and cash equivalents	\$ 1,626,032	\$ 1,913,277
Contributions receivable, net	<u>815,759</u>	<u>546,424</u>
Total Financial Assets	2,441,791	2,459,701
Less: Contribution receivables greater than 12 months	(100,000)	-
Donor imposed restrictions	<u>(704,956)</u>	<u>(686,670)</u>
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	<u>\$ 1,636,835</u>	<u>\$ 1,773,031</u>

VOW's revenue sources are comprised of contributions and grants. Contributions and grants are recognized in the period in which they are pledged and awarded. In the normal course of its operations, VOW will have enough cash on hand to satisfy its operating cash flow requirements but may also have excess cash balances depending on the timing of payment of its grant commitments.

6. Concentration of Revenue and Related Parties

One of VOW's board members holds an executive position at a foundation that is an operational donor to VOW, donating \$800,000 and \$500,000 in 2024 and 2023, which represented 23% and 15% of total support and revenue. In 2024 and 2023, VOW granted \$436,450 and \$550,000 to Girls First Fund, a philanthropic fund for Capital For Good USA, a public charity, where another VOW board member is also on the governance committee. The Board of Directors of VOW have relationships or affiliations with operational donors and grantees. The nature of these relationships does not meet the criteria that would require consolidation.

Additionally, in 2024 one operational donor represented 42% of total revenue and two operational donors represented 53% and 25% of the total contributions receivable. In 2023 two operational donors represented 30% and 17% of total revenue and one operational donor represented 95% of the total contributions receivable.

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VOW for Girls, Inc.

Schedule 1 - 100% Model For the Year Ended December 31, 2024

	Non-Operational Contributions *	Operational Contributions **	Total Contributions
REVENUE AND SUPPORT			
Contributions and revenues, net cash received	\$ 452,509	\$ 2,742,673	\$ 3,195,182
Add: in kind contributions			50,190
Add: interest income			18,816
Less: change in contributions receivable			269,335
Total Revenue and Support per Statement of Activities			\$ 3,533,523
	Grants Paid with Non-Operational Contributions *	Cost Covered by Operational Contributions **	Total Grants Paid and Costs Covered by Contributions
EXPENSES			
Program services:			
Grants	\$ 356,025	\$ -	\$ 356,025
Program salaries and overhead	-	1,813,326	1,813,326
Subtotal - Program Services	356,025	1,813,326	2,169,351
Fundraising:			
Communications and events production	-	33,020	33,020
Development salaries and overhead	-	629,051	629,051
Subtotal - Fundraising	-	662,071	662,071
Administration salaries and overhead	-	668,410	668,410
Total Expenses - cash paid	\$ 356,025	\$ 3,143,807	3,499,832
Add: change in prepaid expenses and other expenses			702
Add: in kind expenses			50,190
Add: change in accounts payable and accrued liabilities			24,087
Total Expenses per Statement of Activities			\$ 3,574,811

* 100% of non-operational contributions without donor restrictions pay for grants within one year.
Contributions without donor restrictions received in 2024 were used to pay for grants in 2024.

** 100% of overhead cost are covered by operational contributions unless specifically funded by contributions with donor restrictions.

See independent auditors' report