



WORLD HELP

Financial Statements  
With Independent Auditors' Report

March 31, 2025 and 2024



# WORLD HELP

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## **INDEPENDENT AUDITORS' REPORT**

Board of Directors  
World Help  
Forest, Virginia

### ***Opinion***

We have audited the accompanying financial statements of World Help, which comprise the statements of financial position as of March 31, 2025 and 2024, and the related statements of activities, cash flows and functional expenses 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 World Help 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of World Help 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 these 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 World Help's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Board of Directors  
World Help  
Forest, Virginia

***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 World Help'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 World Help'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.

*Capin Crouse LLC*

New York, New York  
July 11, 2025

# WORLD HELP

## Statements of Financial Position

	March 31,	
	2025	2024
<b>ASSETS:</b>		
Cash and cash equivalents	\$ 2,911,502	\$ 2,001,520
Investments	2,316,213	2,153,759
Prepaid expenses and other assets	684,790	444,935
Gift-in-kind inventory	197,213	403,580
Property and equipment—net	2,958,560	3,084,634
Investments held for long term purposes	1,755,434	1,605,839
<b>Total Assets</b>	<b>\$ 10,823,712</b>	<b>\$ 9,694,267</b>
<b>LIABILITIES AND NET ASSETS:</b>		
<b>Liabilities:</b>		
Accounts payable and accrued expenses	\$ 316,525	\$ 276,996
Accrued payroll and payroll taxes	279,045	212,945
Grants payable	368,057	314,969
Deferred revenue	148,721	225,841
Notes payable	136,503	140,226
<b>Total liabilities</b>	<b>1,248,851</b>	<b>1,170,977</b>
<b>Net assets:</b>		
Without donor restrictions	9,242,117	8,163,613
With donor restrictions	332,744	359,677
<b>Total net assets</b>	<b>9,574,861</b>	<b>8,523,290</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 10,823,712</b>	<b>\$ 9,694,267</b>

See notes to financial statements

# WORLD HELP

## Statements of Activities

Year Ended March 31,						
	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE:</b>						
Contributions:						
Cash	\$ 15,031,895	\$ 249,795	\$ 15,281,690	\$ 13,022,528	\$ 304,388	\$ 13,326,916
Non-financial assets (Note 5)	23,448,597	-	23,448,597	22,155,744	-	22,155,744
Government grant revenue	56,814	-	56,814	44,310	-	44,310
Special events–net	1,739,386	-	1,739,386	1,899,754	-	1,899,754
Product sales	4,105	-	4,105	4,777	-	4,777
Investment income–net	289,106	-	289,106	289,643	-	289,643
Other income	9,600	-	9,600	6,143	-	6,143
<b>Total Support and Revenue</b>	<b>40,579,503</b>	<b>249,795</b>	<b>40,829,298</b>	<b>37,422,899</b>	<b>304,388</b>	<b>37,727,287</b>
<b>RECLASSIFICATIONS:</b>						
Satisfaction of program restrictions	276,728	(276,728)	-	342,077	(342,077)	-
<b>EXPENSES:</b>						
Program services:						
International ministries	33,471,460	-	33,471,460	36,566,125	-	36,566,125
Outreach ministries	310,062	-	310,062	353,486	-	353,486
<b>Total program services</b>	<b>33,781,522</b>	<b>-</b>	<b>33,781,522</b>	<b>36,919,611</b>	<b>-</b>	<b>36,919,611</b>
Supporting activities:						
Management and general	3,567,910	-	3,567,910	3,352,129	-	3,352,129
Fundraising	2,428,295	-	2,428,295	2,672,062	-	2,672,062
<b>Total supporting activities</b>	<b>5,996,205</b>	<b>-</b>	<b>5,996,205</b>	<b>6,024,191</b>	<b>-</b>	<b>6,024,191</b>
<b>Total Expenses</b>	<b>39,777,727</b>	<b>-</b>	<b>39,777,727</b>	<b>42,943,802</b>	<b>-</b>	<b>42,943,802</b>
<b>Change in Net Assets</b>	<b>1,078,504</b>	<b>(26,933)</b>	<b>1,051,571</b>	<b>(5,178,826)</b>	<b>(37,689)</b>	<b>(5,216,515)</b>
<b>Net Assets, Beginning of Year</b>	<b>8,163,613</b>	<b>359,677</b>	<b>8,523,290</b>	<b>13,342,439</b>	<b>397,366</b>	<b>13,739,805</b>
<b>Net Assets, End of Year</b>	<b>\$ 9,242,117</b>	<b>\$ 332,744</b>	<b>\$ 9,574,861</b>	<b>\$ 8,163,613</b>	<b>\$ 359,677</b>	<b>\$ 8,523,290</b>

See notes to financial statements

# WORLD HELP

## Statements of Cash Flows

	Year Ended March 31,	
	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 1,051,571	\$ (5,216,515)
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:		
Depreciation	129,629	146,432
Net realized and unrealized gain on investments	(49,990)	(91,842)
Net change in donated gift-in-kind inventory	206,367	5,234,725
Changes in:		
Prepaid expenses and other assets	(239,855)	153,191
Accounts payable and accrued expenses	39,529	(322,708)
Accrued payroll and payroll taxes	66,100	(35,989)
Grants payable	53,088	(37,930)
Deferred revenue	(77,120)	(17,085)
Net Cash Provided (Used) by Operating Activities	<u>1,179,319</u>	<u>(187,721)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property and equipment	(3,555)	(89,824)
Purchase of investments	(1,176,712)	(3,132,035)
Proceeds from sale of investments	914,653	2,887,111
Net Cash Used by Investing Activities	<u>(265,614)</u>	<u>(334,748)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Principal payments on notes payable	(3,723)	(3,787)
Net Cash Used by Financing Activities	<u>(3,723)</u>	<u>(3,787)</u>
Change in Cash and Cash Equivalents	909,982	(526,256)
Cash and Cash Equivalents, Beginning of Year	<u>2,001,520</u>	<u>2,527,776</u>
Cash and Cash Equivalents, End of Year	<u>\$ 2,911,502</u>	<u>\$ 2,001,520</u>
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:</b>		
Cash paid for interest	<u>\$ 8,176</u>	<u>\$ 8,928</u>
Disposal of fully depreciated property and equipment	<u>\$ 41,700</u>	<u>\$ 261,349</u>

See notes to financial statements

# WORLD HELP

## Statement of Functional Expenses

Year Ended March 31, 2025

	Program Services			Supporting Activities			Cost of	
	International Programs	Outreach Ministries	Total Program	Management and General	Fundraising	Total Supporting	Direct Benefit to Donors	Total
Gift-in-kind humanitarian aid	\$ 23,654,964	\$ -	\$ 23,654,964	\$ -	\$ -	\$ -	\$ -	\$ 23,654,964
Contributions to ministry partners	7,774,946	85,070	7,860,016	-	136,598	136,598	-	7,996,614
Payroll and employee benefits	1,213,417	170,267	1,383,684	1,858,486	1,219,314	3,077,800	-	4,461,484
Postage and freight	644,517	-	644,517	28,437	312,978	341,415	-	985,932
Professional fees	-	1,801	1,801	782,895	225	783,120	5,760	790,681
Travel	37,750	-	37,750	166,667	168,906	335,573	369,228	742,551
Other	71,163	9,661	80,824	390,574	70,149	460,723	-	541,547
Printing and mailing	-	43,263	43,263	14,833	389,366	404,199	-	447,462
Taxes and licenses	-	-	-	226,621	-	226,621	-	226,621
Promotional	-	-	-	44,471	130,759	175,230	17,903	193,133
Depreciation	74,703	-	74,703	54,926	-	54,926	-	129,629
Total expenses	33,471,460	310,062	33,781,522	3,567,910	2,428,295	5,996,205	392,891	40,170,618
Less cost of direct benefit to donors	-	-	-	-	-	-	(392,891)	(392,891)
Total expenses on statements of activities	\$ 33,471,460	\$ 310,062	\$ 33,781,522	\$ 3,567,910	\$ 2,428,295	\$ 5,996,205	\$ -	\$ 39,777,727

See notes to financial statements

# WORLD HELP

## Statement of Functional Expenses

Year Ended March 31, 2024

	Program Services			Supporting Activities			Cost of	
	International Programs	Outreach Ministries	Total Program	Management and General	Fundraising	Total Supporting	Direct Benefit to Donors	Total
Gift-in-kind humanitarian aid	\$ 27,390,469	\$ -	\$ 27,390,469	\$ -	\$ -	\$ -	\$ -	\$ 27,390,469
Contributions to ministry partners	6,857,941	134,696	6,992,637	-	201,578	201,578	-	7,194,215
Payroll and employee benefits	1,276,036	166,376	1,442,412	1,932,341	1,317,361	3,249,702	-	4,692,114
Postage and freight	838,285	-	838,285	21,759	308,046	329,805	-	1,168,090
Professional fees	-	935	935	490,824	117	490,941	890	492,766
Travel	62,421	-	62,421	153,793	261,000	414,793	394,726	871,940
Other	54,295	7,039	61,334	390,512	54,083	444,595	9,997	515,926
Printing and mailing	-	44,440	44,440	21,883	399,963	421,846	-	466,286
Taxes and licenses	-	-	-	223,151	-	223,151	-	223,151
Promotional	-	-	-	58,112	129,914	188,026	39,275	227,301
Depreciation	86,678	-	86,678	59,754	-	59,754	-	146,432
Total expenses	36,566,125	353,486	36,919,611	3,352,129	2,672,062	6,024,191	444,888	43,388,690
Less cost of direct benefit to donors	-	-	-	-	-	-	(444,888)	(444,888)
Total expenses on statements of activities	\$ 36,566,125	\$ 353,486	\$ 36,919,611	\$ 3,352,129	\$ 2,672,062	\$ 6,024,191	\$ -	\$ 42,943,802

See notes to financial statements

# **WORLD HELP**

## **Notes to Financial Statements**

March 31, 2025 and 2024

1. **NATURE OF ORGANIZATION:**

World Help (Organization) was incorporated as a not-for-profit organization in 1991, and is a Christian humanitarian organization serving the physical and spiritual needs of people in impoverished communities around the world. The Organization's primary activities are described below:

International Programs—The Organization works with partners to provide humanitarian, medical and educational assistance and ensuring clean water and people's spiritual needs are met by providing Bibles and establishing churches in as many communities as possible.

Outreach Ministries—The Organization's outreach ministries primarily consist of "Children of the World", which is a program designed to educate audiences in the United States of the perils faced by children in the developing world. Annually, the Organization formed a choir of children from its child sponsorship programs around the world. The choir toured the United States to promote awareness of the needs of children to overcome malnutrition, obtain clean water, education, etc. The in-person, touring element of the ministry was stopped in March 2020, until further notice, due to the implications of Covid-19; however, the recorded music produced over two decades of touring, continues to impact lives around the world. In addition to this, the outreach ministry continues to invest in choir alum, who, upon graduating from their sponsorship programs, are each granted a four-year scholarship to a local college or technical institution of their choosing for having participated on the Children of the World International Children's Choir for a tour year.

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (IRC) and comparable state laws. However, the Organization is subject to federal income tax on any unrelated business taxable income. In addition, the Organization is not classified as a private foundation within the meaning of Section 509(a) of the IRC.

2. **SIGNIFICANT ACCOUNTING POLICIES:**

The Organization prepares its financial statements on the accrual basis of accounting. The Organization uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP). Those estimates and assumptions affect the reported amounts of assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing the financial statements. The more significant accounting policies are described below. The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASU).

# **WORLD HELP**

## **Notes to Financial Statements**

March 31, 2025 and 2024

### **2. SIGNIFICANT ACCOUNTING POLICIES, continued:**

#### **CASH AND CASH EQUIVALENTS**

The Organization considers cash and cash equivalents to be amounts in checking and savings accounts, cash on hand, and all highly liquid investments with an original maturity of three months or less when purchased, unless held for reinvestment as part of the investment portfolio. The Organization utilizes an insured sweep account to minimize its exposure on uninsured balances. As of March 31, 2025 and 2024, the cash accounts exceeded federal deposit insured limits by approximately \$233,000 and \$181,000, respectively. As of March 31, 2025 and 2024, the Organization had no restricted cash.

#### **INVESTMENTS AND INVESTMENTS HELD FOR LONG TERM PURPOSES**

The Organization's primary investment objective is to preserve and protect its assets by earning a total return for each account appropriate to their liquidity requirements, distribution requirements, and risk tolerance. Investments are stated at fair value, except for cash equivalents, closely held stock and notes receivable which are reported at cost. Interest and dividends, net of fees, and realized and unrealized gains and losses are included as revenue either with or without donor restrictions in the statements of activities based on the existence or absence of any donor restrictions. Donated securities are recorded at the fair value on the date of donation and thereafter carried in accordance with the above provisions, unless sold and converted to cash.

As of March 31, 2025, investments include two notes receivable made as an allocation of the investment portfolio in the amounts of \$484,000 and \$325,000 that are unsecured, with interest rates of 10%, and with principal and accrued interest due on the maturity dates of June 16, 2025 and November 10, 2025, respectively. Management expects the payment of the notes receivable to be fully collectible, therefore no allowance was deemed necessary as of March 31, 2025. As the balances are collectible within one year, no discount was recorded.

As of March 31, 2024, investments include two notes receivable made as an allocation of the investment portfolio in the amounts of \$440,000 and \$400,000 that are unsecured, with interest rates of 10%, and with principal and accrued interest due on the maturity dates of June 16, 2024 and November 10, 2024, respectively. Management expects the payment of the notes receivable to be fully collectible, therefore no allowance was deemed necessary as of March 31, 2024. As the balances are collectible within one year, no discount was recorded.

Investment securities are exposed to various risks, such as changes in interest rates or credit ratings and market fluctuations. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is possible that the value of the Organization's investments could fluctuate materially. The Organization maintains custody accounts with various custodians. Although the Organization monitors the custodians and believes that they are appropriate custodians, there is no guarantee that the custodians, or any other custodians that the Organization may use from time to time, will not become insolvent. The Organization believes that, in the event of the insolvency of one of its custodians, some of the Organization's assets may be unavailable for a period of time, but that it would ultimately have full recovery of its assets.

# WORLD HELP

## Notes to Financial Statements

March 31, 2025 and 2024

### 2. SIGNIFICANT ACCOUNTING POLICIES, continued:

#### GIFT-IN-KIND INVENTORY

Inventory procured by the Organization is stated at the lower of cost or net realizable value, which is determined using the first-in, first-out method. The Organization receives donations of medical equipment, medical supplies, other supplies, clothing and food for use in the Organization's humanitarian aid programs. Contributed non-financial assets are valued at their estimated fair value on the date of donation. Fair value is determined using the market approach. This approach uses prices and other relevant information generated for market transactions involving comparable assets. Donations of non-financial asset inventory included in total contributions received were \$23,448,597 and \$22,155,744 for the years ended March 31, 2025 and 2024, respectively.

For the years ended March 31, 2025 and 2024, \$20,912,752 and \$24,681,450, respectively, of donated non-financial asset inventory was delivered to the Organization before being distributed and the remaining amount of \$2,742,212 and \$2,709,019, respectively, was shipped directly from the donor to other organizations. Donated inventory distributed is reported as a component of gift-in-kind humanitarian aid in the statements of functional expenses, as the donated inventory is used to support program services. As of March 31, 2025 and 2024, \$197,213 and \$403,580 respectively, of donated non-financial asset inventory was not distributed and remained on hand (Note 5).

#### PROPERTY, EQUIPMENT AND DEPRECIATION

Property and equipment purchased by the Organization are recorded at cost. The Organization follows the practice of capitalizing all expenditures for property and equipment over \$2,000 with a useful life in excess of one year. The fair value of donated fixed assets are similarly capitalized. Depreciation is computed on the straight-line method based upon the following estimated useful lives of the assets:

Buildings and improvements	7-39 years
Office equipment and computers	3-7 years
Office furniture	7 years
Transportation equipment	5 years
Land	Not depreciated

The Organization reviews its property and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of such property and equipment may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the property and equipment to the future net undiscounted cash flow expected to be generated and any estimated proceeds from the eventual disposition of the property and equipment. If the property and equipment is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the property and equipment exceeds the fair value of such property and equipment. There were no impairment losses recognized for the years ended March 31, 2025 and 2024.

# WORLD HELP

## Notes to Financial Statements

March 31, 2025 and 2024

### 2. SIGNIFICANT ACCOUNTING POLICIES, continued:

#### FAIR VALUE MEASUREMENTS

The Organization follows the provisions of the *Fair Value Measurements and Disclosure* topic of the FASB ASC. These standards establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

##### *Level 1*

Quoted prices in active markets for identical assets or liabilities.

##### *Level 2*

Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in active markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

##### *Level 3*

Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Following is a description of the valuation methodologies used for instruments measured at fair value on a recurring basis and recognized in the accompanying statements of financial position, as well as the general classification of such instruments pursuant to the valuation hierarchy.

#### *Investments and Investments Held for Long Term Purposes*

Investments and investments held for long term purposes include marketable equity securities, exchange-traded funds, and mutual funds and are recorded at fair value based on readily determinable values which are considered Level 1 under the *Fair Value* topic of the FASB ASC. The fair value of the Level 1 securities are determined by reference to quoted market prices and other relevant information generated by market transactions. The Organization also has included in investments notes receivable, cash and cash equivalents held in brokerage accounts, investments in partnership and closely held stock reported at cost.

#### NET ASSETS

The Organization classifies net assets into two categories: without donor restrictions and with donor restrictions. All net assets are considered to be available for use unless specifically restricted by the donor or by law. Board designated net assets are a component of net assets without donor restrictions and include funds set aside to begin funding a retirement plan for the Organization's Founder and funds set aside for growth. Net assets with donor restrictions include contributions with temporary, donor-imposed time or purpose restrictions. Net assets with donor-imposed time or purpose restrictions become without donor restrictions and are reported in the statements of activities as net assets released from restrictions when the time restrictions expire or the contributions are used for the restricted purpose.

# **WORLD HELP**

## **Notes to Financial Statements**

March 31, 2025 and 2024

### **2. SIGNIFICANT ACCOUNTING POLICIES, continued:**

#### **SUPPORT, REVENUE AND NET ASSETS RELEASED FROM RESTRICTIONS**

Revenue is reported when earned and support when contributions are made, which may be when cash is received, unconditional promises are made, or ownership of other assets is transferred to the Organization.

Contributions and grants are recorded as with donor restrictions if they are received with donor stipulations that limit their use through purpose and/or time restrictions. When donor restrictions expire, that is, when the purpose restriction is fulfilled or the time restriction expires, the net assets are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Donor restricted contributions, which have been received and fully expended for their intended purposes within the reporting period, are reported as without donor restrictions. Donor restricted contributions are subject to assessments based on a level of administrative and fundraising efforts for each specific funding. Assessments are classified as contributions without donor restrictions at the time the contributions are received.

The Organization receives donations of medical equipment, medical supplies, other supplies, clothing and food for use in relief and development programs. Contributed non-financial assets are reported as support in the statements of activities at their estimated fair value on the date of donation. In accordance with GAAP and with Interagency Standards established by the Accord Network, the Organization only records the value of contributed non-financial assets for which it receives and exercises variance power, which is the discretion to distribute or redistribute the commodity without the donor's prior consent in accordance with its mission and purpose. See additional disclosures about contributed non-financial assets in Note 5.

Investment and other income is reported in the period earned.

Product sales are reported in the period earned, which is at the point in time the product is sold.

Special events contributions and revenue is reported in the period earned, which is the period in which the related event occurs. Special events contributions and revenue are contingent on the event occurring and are not recognizable until that condition is met. Deferred revenue represents event revenue received before fiscal year end that have not yet been earned as the related events are occurring after fiscal year end, and revenue recognition is contingent on the events occurring.

# **WORLD HELP**

## **Notes to Financial Statements**

March 31, 2025 and 2024

### **2. SIGNIFICANT ACCOUNTING POLICIES, continued:**

#### **GOVERNMENT GRANT REVENUE**

Government grant revenue is recognized in the period earned, which is when eligible expenses are incurred. The Organization reports conditional government grants in which the restriction is met in the same fiscal year as government grant revenue without donor restrictions.

During the year ended March 31, 2024, the Organization filed for Employee Retention Credit (ERC) funds totaling \$676,758. The Organization has taken the position that the acceptance and payment of ERC funds by the Internal Revenue Service (IRS) is the barrier to revenue recognition that must be met. As of March 31, 2025 and 2024, the Organization has not received funds from the IRS, therefore no revenue has been recognized for the years ended March 31, 2025 and 2024, in the statements of activities. The ERC, is a refundable tax credit for certain eligible businesses and tax-exempt organizations that had employees and were affected during the COVID-19 pandemic. Laws and regulations concerning government programs, including the ERC, established by the CARES Act are complex and subject to varying interpretation. Claims made under the CARES Act may also be subject to retroactive audit and review. There can be no assurance that regulatory authorities will not challenge the Organization's claim to the ERC, and it is not possible to determine the impact, if any, this would have on the Organization. Subsequent to year end, in May 2025 the Organization received approximately \$737,000 of ERC funds, which includes interest of approximately \$100,000.

#### **EXPENSES**

Expenses are reported when incurred. The costs of providing the various program services and supporting activities have been summarized on a functional basis in the statements of activities and statements of functional expenses. Accordingly, certain costs have been allocated among the program services and supporting activities benefited. These expenses include depreciation, salaries and benefits, and other expenses. These expenses are allocated based on time and efforts or based on the programmatic purpose of the asset being depreciated. Costs of other categories were allocated based on programmatic purpose of the employees directly affected by the expense.

# WORLD HELP

## Notes to Financial Statements

March 31, 2025 and 2024

### 3. LIQUIDITY AND FUNDS AVAILABLE:

The following reflects the Organization's financial assets, reduced by amounts not available for general use because of contractual or donor-imposed restrictions, as well as board designations, within one year of the statements of financial position date.

	March 31,	
	2025	2024
Financial assets:		
Cash and cash equivalents	\$ 2,911,502	\$ 2,001,520
Investments	2,316,213	2,153,759
Investments held for long term purposes	1,755,434	1,605,839
Financial assets, at year end	<u>6,983,149</u>	<u>5,761,118</u>
Less those unavailable for general expenditure within one year, due to:		
Board designated net assets	(1,755,434)	(1,605,839)
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 5,227,715</u>	<u>\$ 4,155,279</u>

The Organization is substantially supported by contributions on an unrestricted and restricted basis. Those contributions with donor restrictions require resources to be used in a particular manner or in a future period. The Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. At March 31, 2025 and 2024, the Organization has \$332,744 and \$359,677, respectively, in net assets with donor restrictions for projects, bibles, and other purposes, of which \$332,744 and \$359,677, respectively, was considered available to meet needs for general expenditures within one year. Additionally, as discussed in Note 2, donor restricted contributions are charged an administrative fee in order to offset the costs of administering those activities.

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To help manage liquidity needs, the Organization maintains a line of credit in the amount of \$1,000,000, of which the Organization had borrowing capacity of \$1,000,000 available as of both March 31, 2025 and 2024 (Note 8).

# WORLD HELP

## Notes to Financial Statements

March 31, 2025 and 2024

### 4. INVESTMENTS:

Investments consist of:

	March 31,	
	2025	2024
Investments at cost:		
Cash equivalents held in brokerage accounts	\$ 35,719	\$ 27,937
Notes receivable (including accrued interest)	850,840	889,833
Investment in limited partnership	250,000	-
Closely held stock	3,658	3,658
	<u>1,140,217</u>	<u>921,428</u>
Investments at fair value (Level 1):		
Marketable equity securities	196,812	168,123
Exchange-traded funds	649,625	494,134
Mutual funds	2,084,993	2,175,913
	<u>\$ 4,071,647</u>	<u>\$ 3,759,598</u>

Investments are reported in the statements of financial position as follows:

	March 31,	
	2025	2024
Investments	\$ 2,316,213	\$ 2,153,759
Investment held for long-term purposes	1,755,434	1,605,839
	<u>\$ 4,071,647</u>	<u>\$ 3,759,598</u>

Investment income-net reported in the statements of activities consists of:

	Year Ended March 31,	
	2025	2024
Interest and dividends-net	\$ 239,116	\$ 197,801
Net realized and unrealized gains on investments	49,990	91,842
	<u>\$ 289,106</u>	<u>\$ 289,643</u>

# WORLD HELP

## Notes to Financial Statements

March 31, 2025 and 2024

5. CONTRIBUTED NON-FINANCIAL ASSETS:

Contributed non-financial assets consist of the following:

	Year Ended March 31,	
	2025	2024
Donated clothing and other supplies	\$ 11,013,745	\$ 13,995,825
Donated medical supplies and equipment	9,593,531	4,327,817
Donated food	2,841,321	3,832,102
	<u>\$ 23,448,597</u>	<u>\$ 22,155,744</u>

Gift-in-kind expenses for the year ended March 31, 2024, amounted to \$27,390,469 and are reported as gift-in-kind humanitarian aid in the statements of functional expenses. Gift-in-kind revenue for the year ended March 31, 2024, amounted to \$22,155,744 and is reported as non-financial assets under contributions in the statements of activities; the correlated expenses exceeded revenue by \$5,234,725. This was due to gift-in-kind revenue realized during the year ended March 31, 2023, but not recognized as expense until the year ended March 31, 2024, therefore, carried as a component of gift-in-kind inventory as of March 31, 2023. The timing difference between the gift-in-kind expense and revenue is the primary reason for the significant negative change in net assets for the year ended March 31, 2024, as reported in the statements of activities.

Contributed non-financial assets are reported at the estimated fair value on the date of donation. The Organization estimates fair value based on available markets, condition, quantity and quality of the item(s) being donated, as well as the available pricing sources. For the years ended March 31, 2025 and 2024, each donation was independently evaluated in a three step process of establishing condition, conducting research, and formulating a valuation. The Organization assigns 100% of the market value for brand new donations and either 50%, 75%, or 100% for used donations. The Organization compiles prices from seven different sources, removes the highest and lowest values, and then calculates an average from the remaining five values to determine the final fair market "exit" value. In the event the Organization determines an item(s) is under or over-valued after an initial value is assigned, the Organization conducts additional research on the specific item(s) received utilizing the product information collected during the receipting process and adjusting a product(s) value accordingly.

For the years ended March 31, 2025 and 2024, all contributed non-financial assets are without donor restrictions, and are utilized for the Organization's program services. The Organization does not hold contributed nonfinancial assets for sale.

# WORLD HELP

## Notes to Financial Statements

March 31, 2025 and 2024

6. GIFT-IN-KIND INVENTORY:

Inventory consists of:

	Year Ended March 31,	
	2025	2024
Donated clothing and other supplies	\$ 193,922	\$ 354,700
Donated medical supplies and equipment	3,291	48,880
	<u>\$ 197,213</u>	<u>\$ 403,580</u>

7. PROPERTY AND EQUIPMENT—NET:

Property and equipment—net consists of:

	March 31, 2025		
	Cost	Accumulated Depreciation	Net
Land	\$ 144,406	\$ -	\$ 144,406
Buildings and improvements	3,336,977	(609,818)	2,727,159
Office equipment	209,968	(156,115)	53,853
Office furniture	18,514	(18,514)	-
Transportation equipment	80,900	(47,758)	33,142
	<u>\$ 3,790,765</u>	<u>\$ (832,205)</u>	<u>\$ 2,958,560</u>

  

	March 31, 2024		
	Cost	Accumulated Depreciation	Net
Land	\$ 144,406	\$ -	\$ 144,406
Buildings and improvements	3,336,977	(520,261)	2,816,716
Office equipment	206,414	(125,744)	80,670
Office furniture	18,514	(18,514)	-
Transportation equipment	122,600	(79,758)	42,842
	<u>\$ 3,828,911</u>	<u>\$ (744,277)</u>	<u>\$ 3,084,634</u>

# WORLD HELP

## Notes to Financial Statements

March 31, 2025 and 2024

8. REVOLVING LINE OF CREDIT:

The Organization maintains a \$1,000,000 revolving line of credit with a financial institution with variable interest payable monthly, secured by a deed of trust on the land and building. The outstanding balance and any unpaid interest is payable on demand. As of March 31, 2025 and 2024, there was no outstanding balance. The Organization is currently in compliance with or had obtained waivers for all loan covenants as of March 31, 2025 and 2024.

9. NOTES PAYABLE:

Notes payable consists of:

	March 31,	
	2025	2024
Economic Injury Disaster Loan (EIDL), secured by business assets, with an effective interest rate of 2.75% and a maturity date of June 25, 2050. The loan is payable in monthly principal and interest payments of \$641 beginning June 25, 2021.	\$ 136,503	\$ 140,226

Future estimated maturities of notes payable are as follows:

<u>Year Ending March 31,</u>	
2026	\$ 3,994
2027	4,106
2028	4,220
2029	4,338
2030	4,458
Thereafter	115,387
	<u>\$ 136,503</u>

# WORLD HELP

## Notes to Financial Statements

March 31, 2025 and 2024

### 10. NET ASSETS:

Net assets consists of:

	March 31,	
	2025	2024
Without donor restrictions:		
Available for operations	\$ 7,486,683	\$ 6,557,774
Board designated - growth fund	903,888	867,288
Board designated - retirement fund	851,546	738,551
Total without donor restrictions	9,242,117	8,163,613
With donor restrictions:		
Subject to expenditure for specified purpose or passage of time:		
Ministry projects	264,933	299,988
Other purposes	59,291	56,291
Bibles	8,520	3,398
Total with donor restrictions	332,744	359,677
Total net assets	\$ 9,574,861	\$ 8,523,290

### 11. SPECIAL EVENTS - NET:

The Organization hosts semi-annual Global Impact Summits as well as golf tournaments, running races and other events with the proceeds of the events going to the Organization. Special events consist of:

	Year Ended March 31,	
	2025	2024
Contributions	\$ 2,043,707	\$ 2,206,727
Revenue	88,570	137,915
Less: direct expenses	(392,891)	(444,888)
	\$ 1,739,386	\$ 1,899,754

# **WORLD HELP**

## **Notes to Financial Statements**

March 31, 2025 and 2024

12. RETIREMENT PLAN:

The Organization has established a Safe Harbor 401(k) retirement plan effective January 1, 2023, covering all employees who are 18 years of age or older and who have met the required eligibility waiting period. The plans allow for employee contributions to the plan up to the maximum allowed by the Internal Revenue Service. For the years ended March 31, 2025 and 2024, the Organization matched 100% of each employee's contribution up to 3%, and 50% of each employee's contribution that exceed 3% up to 5%. The Organization contributed \$122,222 and \$133,377 for the years ended March 31, 2025 and 2024, respectively.

13. RELATED PARTY TRANSACTIONS:

Members of the board of directors, individually or through their business interests, contributed approximately \$1,634,000 and \$1,767,000 to the Organization during the years ended March 31, 2025 and 2024, respectively.

14. DONOR CONCENTRATION:

Four donors provided approximately 77% of donated non-financial assets received by the Organization for the year ended March 31, 2025. Four donors provided approximately 75% of donated non-financial assets received by the Organization for the year ended March 31, 2024, of which all four donors were the same as for the year ended March 31, 2025. The organizational implications of these concentrations are recognized by management and the board.

15. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through July 11, 2025, which is the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.